

Dear Madam/Sir,

Please find herewith PGGM Investments' *) (hereinafter: "PGGM") response to the Consultation Paper on Shareholder Approval Requirements for Listed Company Mergers issued on 10 November 2015 (hereinafter: the "Consultation").

We welcome your proposal for a regulatory reform on dilution which would require a bidder to seek shareholder approval where there is scrip for scrip offer and the issue of new securities. However, we are of the opinion that requiring a bidder to seek shareholder approval where there is scrip for scrip offer and the issue of new securities only when it exceeds 100% of the bidder's existing share capital, is still way too high percentage, both in absolute terms as well as compared to other developed capital markets.

In principle, PGGM is of the opinion that a shares issuance should always be pursuant to a resolution of the General Meeting. Under strict circumstances, another body of the Corporation may be designated for this purpose by a resolution of the General Meeting or in the articles of incorporation, but always for a limited time. PGGM in principle favours a period not exceeding 18 months. PGGM generally allows and votes for proposals with a share issuance requests with pre-emptive rights to a maximum of 100 percent over currently issued capital.

To our understanding, the issuance of these new securities as proposed in the Consultation are without pre-emptive rights. PGGM votes AGAINST proposals to authorize the board to issue ordinary shares - with or without priority/preferential rights - unless: the maximum of the currently issued capital does not exceed 10% in normal circumstances and/or does not exceed an additional 10% in cases of a share-based mergers and/or acquisitions and the authorization does not exceed a period of 18 months. For all other issuance requests without pre-emptive rights, we generally only vote in favour to a maximum of 10 percent of currently issued capital with a maximum of an additional 10 percent of currently issued capital for specific situation such as mergers and acquisitions, provided that the authorization does not exceed a period of 18 months. To our understanding, this would apply to the circumstances addressed in your Consultation. **Hence, PGGM strongly advises to set the maximum for any share issuance without pre-emptive rights, at 20%.** This percentage at which shareholder approval is required would then be fully aligned with developed capital markets such as Singapore (SGX) and NYSE and Nasdaq in the United States. We also strongly advice to introduce a time limitation. As set out, we prefer a period not exceeding 18 months.

Should you have any queries, please do not hesitate contacting me.

Yours sincerely,

Gerard Fehrenbach

**) PGGM Investments is a Dutch asset manager acting on behalf of - amongst others - Pensioenfonds Zorg en Welzijn, the Dutch pension fund for the healthcare and welfare sector and one of the largest pension funds in Europe. PGGM currently has over € 190 billion assets under management. A considerable amount thereof is invested in Australia and Australian listed companies. PGGM is a member of the Australian Council of Superannuation Investors (ACSI).*