



Aug. 11, 2010

Mr. Mike Duignan  
Head of Market Supervision  
Irish Stock Exchange  
28 Anglesea Street  
Dublin 2  
Ireland

Dear Mr. Duignan:

I am writing on behalf of the Council of Institutional Investors (CII) to offer comments on the Irish Stock Exchange's (ISE) proposed Irish Corporate Governance Code. As a prominent voice for long-term shareowners, CII welcomes the opportunity to offer its outlook and recommendations on the proposed code.

We applaud the ISE for its apt and meaningful proposed code, which promotes accountability, transparency, fairness and integrity—the end products of good corporate governance. By fostering sound governance at listed companies, the proposed code should help the ISE reach its goal of solidifying Ireland's standing as a leading international financial services center and capital raising market for Irish companies.

Our specific feedback on the ISE's proposed code follows.

### **Annual Election of Directors**

We advocate annual election of directors. A staggered board, by its very nature, entrenches directors and insulates them from sufficient accountability to shareowners.

### **Meaningful Disclosure**

Ultimately, boilerplate disclosure is weak disclosure—it fails to adequately provide shareowners the information they need to make educated investment and voting decisions. Therefore, we strongly support the ISE's exhortation that companies, "move away from the practice of recycling descriptions that replicate the wording of the Code's provisions and provide more informative disclosures that will provide shareholders with greater insight into the company and the environs in which it operates."

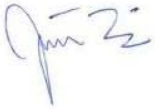
### **Advisory Vote on Executive Pay**

CII believes shareowners should have an annual, advisory vote on the compensation of senior executives. Such a tool would effectively, efficiently and regularly provide boards with useful feedback about whether investors view the company's compensation practices to be in shareowners' best interests. Nonbinding shareowner votes on pay offer a more targeted way to signal shareowner discontent than withholding votes from compensation committee members, and can serve as a helpful catalyst and starting point for dialog on excessive or poorly-structured executive pay. Also, the possibility of

a majority “against” vote might serve as an additional deterrent against devising incentive plans that promote excessive risk-taking and/or enrichment.

Thank you for the opportunity to comment on the proposed code. If you have any questions, please contact me at 202-261-7088 or [justin@cii.org](mailto:justin@cii.org).

Sincerely,

A handwritten signature in blue ink, appearing to read "Justin Levis".

Justin Levis  
Senior Research Associate