

2025 Annual Report

2024–2025 Financial Year

October 2025

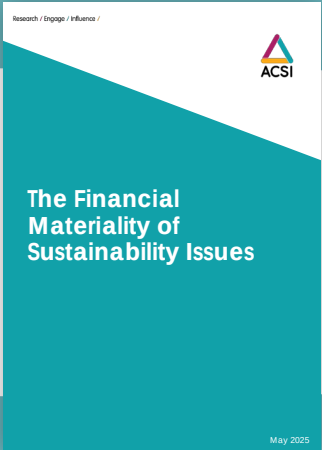


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Governance and sustainability factors matter to a business’s long-term profitability. This is backed by significant research from around the world, and ACSI has collated it.

[Read it here](#)



Research shows that the majority of Australian super fund members support their super funds by speaking up and encouraging companies to manage governance and sustainability risks.

[Read it here](#)



Acknowledgement of Country

We acknowledge and respect the traditional lands and culture of First Peoples in Australia. We pay our respect to elders past and present and recognise First Peoples' longstanding and ongoing spiritual connections to land, sea, community and Country. Appreciation and respect for the rights and cultural heritage of first Peoples is essential to the advancement of our societies and our common humanity.

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About ACSI

Established in 2001, ACSI exists to provide a strong voice on financially material governance and sustainability issues.

About this report

Our annual report incorporates principles from the International Integrated Reporting Framework <IR>.

This Annual Report covers the 2024–2025 financial year (FY24-25) and articulates how we deliver value to our stakeholders. Using principles of the <IR> framework, our Annual Report highlights how our strategy, services and performance deliver in the best financial interests of our members. Publicly reporting our results is one way we demonstrate accountability to our stakeholders.

The following were directors of ACSI, or Member Council representatives during the financial year and up to the date of signing this report.

Fund	Director	Date appointed	Date ceased
HESTA	Deborah (Debby) Jane Blakey		
Australian Retirement Trust	Nicole Bradford		
Australian Super	Rosanne (Rose) Kerlin	1-Jul-24	
Australian Super	Paul Schroder		30-Jun-24
Aware Super	Deanne Rae Stewart		
Brighter Super	Fiona Mann	1-Jul-25	
Care Super	Linda Margaret Scott		
Cbus	Kristian Jeffrey Fok		
First Super	Casey Thompson	1-Nov-24	
HOSTPLUS	David Elia		
IFM	Joshua (Sze Tsung) Lim		
REST	Vicki Maree Doyle		
State Super	John Livanas		
TelstraSuper	Graeme Evan Miller	1-Jul-24	7-Mar-25
Together Trustees (Equip)	Justine Standish Hickey		
Unisuper	Lou Capparelli		
VFMC	Kate Galvin	1-Jul-24	
VisionSuper	Stephen Gregory Rowe		21-May-25

Board acknowledgement

As the Board of ACSI, we acknowledge our responsibility for the preparation of this report. We have reviewed the contents of the report for FY24-25 and taken action to ensure the integrity and accuracy of its contents. We recognise that this report incorporates principles from the <IR> Framework.

This report was signed on 31 October 2025.

Board

The ACSI Board is responsible for all ACSI governance (financial, risk, strategic and business planning, policy, membership and fees). The Board is made up of 15 Full Member representatives, with the President and Deputy President elected from and by the Board.



Members of ACSI have long realised the power and effect of collaborating to build opportunities and counter material risks. Working together allows us to extend our voices, create cost efficiencies and help to build long-term value.

ACSI President Debby Blakey, ACSI Conference 2025

Member Advisory Council

Fund	Name	Notes	Date appointed	Date ceased
Equip Super	Justine Hickey	Chair	16-Sep-24	
Care Super	Linda Scott	Chair		16-Sep-24
Australian Retirement Trust	Dan Smith			
Australian Super	Andrew Gray			
Aware super	Liza McDonald			
Brighter Super	Fiona Mann			
Care Super	Claire Molinari		1-Nov-24	
Cbus	Ros McKay			
Cbus	Steve Monnier*		6-Mar-25	
ESS Super	Daniel Selioutine			
First Super	Bill Watson			
HESTA	Kim Farrant			
HOSTPLUS	Kylie Molinaro			
IFM Investors	Ashley Kopczynski			
Legalsuper	Andrew Lill			2-Jul-25
Legalsuper	Paul Murray			1-Jan-25
NGS Super	Skye King			
REST	Leilani Weier			
State Super	Sarah Gallard			
Team Super	Susan Chau			
Telstra Super	Priya Patel			
Togethr Trustees (Equip)	Jessie Pettigrew			
Unisuper	Jodie Barns			
VFMC	Shali Lindgaretnam			

* Steve Monnier has been appointed by Cbus as an alternate for Ros McKay until further notice.

Letter from CEO and President



Debby Blakey
President



Louise Davidson AM
Chief Executive Officer

As ACSI members know, governance is not a box-ticking exercise — it's a competitive advantage that underpins investor confidence, market integrity, and sustainable economic performance. Investor losses from poor governance can be significant, which is why the work ACSI does in urging efficient management of governance is so important. And why, despite some changing attitudes overseas, our work on governance, diversity and other sustainability issues continues with unabated focus.

The events of 2025 have highlighted the importance of shareholder rights. Governance frameworks provide a significant guardrail in protecting these rights and, in turn, protecting against value destruction. If allowed to be eroded, they will be near impossible to claw back.

ACSI, like its members, embraces long-term thinking and seeks to work with companies and regulators to build lasting and sustainable practices that will strengthen shareholder value. Our ongoing work helps keep corporate Australia and financial markets appropriately governed and accountable.

This financial year marked the end of our three-year strategic planning period, which saw our integrated work program focus more deeply into the material, systemic issues important to our members and to the long-term sustainability of businesses. We also expanded our services into educational offerings, to help build capacity and learning among our members and listed companies.

This evolution reflects the nature of our work — as new, financially material and complex issues continue to emerge, we need to consistently adapt and grow to meet the challenges.

These issues include AI, which presents clear financially material opportunities for investors, including increased productivity, higher levels of innovation and improved decision-making. But it also poses potentially serious risks, including labour market disruption entrenchment of bias and significant carbon footprint. Minimising these risks and realising the opportunities will require responsible use of AI. Inadequately designed, deployed or monitored AI systems may result in a range of negative outcomes for businesses, including reputational, legal and financial risks, with investors bearing the cost.

ACSI is already speaking with listed companies about the importance of effective governance of AI systems and expects work in this area to intensify in future.

2025 marked a milestone in Australia's management of climate risks and opportunities, with the first tranche of businesses now required to disclose under the Federal Government's mandatory climate reporting laws.

ACSI had long called for greater transparency of listed companies' management of climate-related risks and opportunities. The mandatory reporting regime is a welcome development, as climate risks are deeply embedded across the economy and a significant challenge for Australian companies and investors, including superannuation funds.

Mandatory climate reporting should provide ACSI members with clearer information about their investee companies' exposure to climate change's physical and transitional risks, which can be integrated into investment processes, risk assessments and stewardship activities.

Other developments in 2025 were significantly less welcome, with rising geopolitical tensions across many parts of the world of great concern. Trade wars too drew global attention and drove uncertainty among investors.

Throughout it all financial materiality remained at the heart of everything ACSI does.

As a key input into our members' investment programs, our offerings — whether they be advocacy, engagement or policy development — are aligned to our members' obligations to ensure that their focus is on the best financial interests of beneficiaries. Governance and sustainability issues are financially material and need to be managed effectively if a company is to be successful in the long-term.

Our members and collaborative focus make ACSI unique in Australia. Working with its members for more than 20 years, ACSI has lifted the governance standards of corporate Australia, set the agenda for tackling long-term risks, and promoted accountability when companies fall short of investor and community expectations.

Our work continues.

Debby Blakey

Louise Davidson

Who are we?

ACSI provides a strong, collective voice on financially material sustainability and governance issues on behalf of our members, who include institutional investors and asset owners from Australia and overseas, with more than \$1.9 trillion in funds under management.

Our research, company engagement, advocacy and voting recommendations support members in exercising active ownership and strengthening investment outcomes.

ACSI's evidence-based approach aims to influence better financial outcomes through genuine and permanent improvements to the environmental, social and governance practices of the companies in which our members invest. These improved outcomes flow through to the beneficiaries, who entrust their retirement savings to our members.



For our members, taking into account the impact that corporate governance, climate change, employee safety and stakeholder management can have on a company is about delivering the best possible value to their members.

ACSI CEO Louise Davidson, ACSI conference 2025

What makes us different?

ACSI supports our members in managing ESG risks and opportunities in the companies they invest in. Our member focus differentiates us.

Supporting active owners

We support our members in using their ownership rights to influence governance and improve investment outcomes.

Amplifying member voices

By working collectively through ACSI, our members' voices are amplified in the boardrooms of Australian companies and in the policy debates in Canberra.

Materiality matters

Sustainability and governance issues have a material financial impact over the long term.

Expertise and experience

ACSI has helped members manage governance and sustainability risks and opportunities for more than 20 years. Our team of experts have broad-ranging experience and skills.

Member input

Our members help set our strategy and priorities, which are focused on outcomes for their beneficiaries.

Co-operative collaborations

We work with other investors and organisations in Australia and around the world to advocate for improved environmental, social and governance practices and performance in listed companies.

Strong voice

Our members' investments across the ASX provide us with a strong platform to urge positive change on ESG issues.

Policy spotlight

We advocate for markets to be better aligned with the long term, to protect and enhance the savings entrusted to our members.

Our research

ACSI's research informs and is integrated into our work streams.

Integrated approach

Our stewardship approach integrates research, policy, company engagement and voting recommendations.

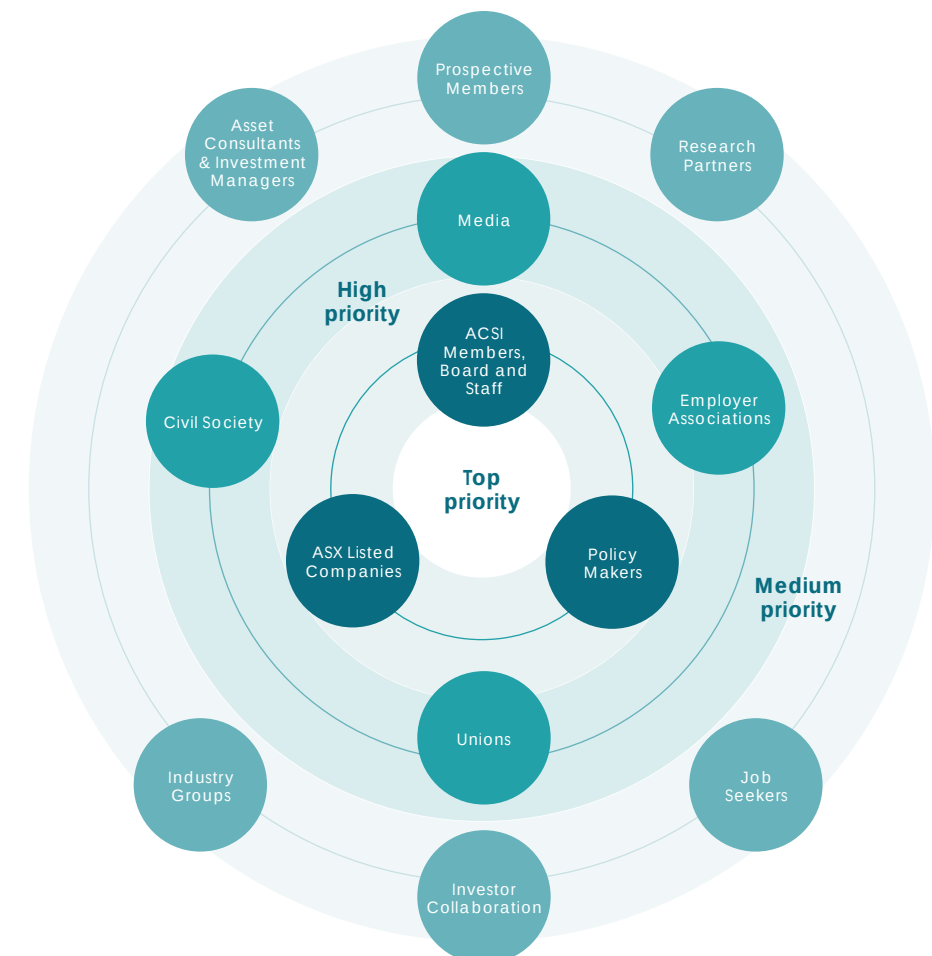
Our stakeholders

ACSI relies on a range of stakeholders to operate and succeed, and meaningful engagement is integrated into our business operations.

Engaging with our members

We work with our members through ACSI's member-led Board and Member Advisory Council, regular member engagement meetings, working groups and forums.

Each year, we consult members in identifying engagement priorities, advocacy positions and research projects on the sustainability and governance issues with the most material financial impact over the long term.



Our way of interacting

➤ ACSI Members

Our governance structure — the ACSI board and Member Advisory Council — is comprised of ACSI members. Members also participate in our company engagements and attend webinars, events and briefings. We update members on our activities through a range of regular communications and measure member engagement and satisfaction through annual surveys.

➤ Government and regulators

We advocate directly with policymakers for changes to align financial and market settings with the interests of long-term investors. Regular submissions to public consultations and direct discussions also inform policymakers of our positions and research.

➤ Employees

ACSI's workplace is highly collaborative with daily informal staff interactions, regular team and individual meetings as well as performance feedback. Staff training and flexible working practices contribute to an engaging environment.

➤ Investor collaborations and industry groups

We cultivate relationships with investor and industry groups with a range of views in Australia and overseas to strengthen our advocacy for positive change. These collaborations may include sharing resources, developing co-branded guidance and offering training opportunities to each other's staff and members.

➤ ASX companies

Our access to ASX listed companies, crucial to driving change, depends on the transparency and clarity of our expectations. Our Governance Guidelines detail our expectations of company governance and ESG risk management, and we engage with companies through meetings, written reports, phone calls and emails about our research, policy announcements and events.

➤ Non-government organisations

We engage constructively with NGOs, focussing on achieving the best outcome for members' beneficiaries. Relationships like these enable both parties to be aware of each other's work and views.

Our capitals: How we create value

Our capitals

We use a range of capitals to create value for our members and the community.



Human capital

ACSI staff, our Board and Member Council, member fund ESG and investment staff, external service providers and partners. ACSI's team has experience across investments, sustainability, superannuation, law, journalism, listed companies, policy and advocacy.

Value creation

We transform our capitals into a range of products and services to create value for our members.

Value creation

Provide leadership on environmental, social and governance issue integration and active ownership through recommendations, guidance, policy positions and providing support to our members.



Intellectual capital

Research, analysis, guidance, expertise, leadership.

Value creation

The broad use of our proprietary information provides a sound evidence base for company engagement and voting recommendations.



Social and relationship capital

ACSI members, industry collaborations, regulators, ASX300 companies, public profile.

Value creation

Leverage credibility and reputation to encourage decision makers to pursue positive policy development. Our collaborative approach amplifies our influence and ability to pursue improvements in ESG practices and performance.



Financial capital

Membership fees, service fees and event revenue.

Value creation

Deliver products and services through sound financial management, backed by strong risk and governance processes.

Our model

ACSI's work program supports our members in exercising their ownership rights. Through our research, engagement, advocacy and voting alerts, we aim to deliver material improvements in the companies our members invest in.



Research

ACSI's research program, conducted both in-house and externally, seeks to deliver deep understandings of the material issues significant to our members.



Engage

ACSI speaks directly with ASX300 companies about managing material environmental, social and governance risks and opportunities. Having a seat at the table and using it wisely can effect change within listed companies and build long-term value for our members.



Influence

We engage with government, regulators and other financial services sector entities to promote a long-term, equitable and effective regulatory system. This advocacy aims to create an environment in which our members can build long-term value for their beneficiaries.

Our tools for success

Integrated company engagement

Our specialist team maintains strong relationships with listed companies, and our engagement approach allows us to move beyond narrow or short-term AGM agendas to deal with broader, long-term sustainability and governance issues.

Respected voice on sustainability and governance issues

We use our public profile to promote positive change on ESG issues across the market. We help drive public discussion on these issues to build permanent improvements in the performance of the companies our members invest in.

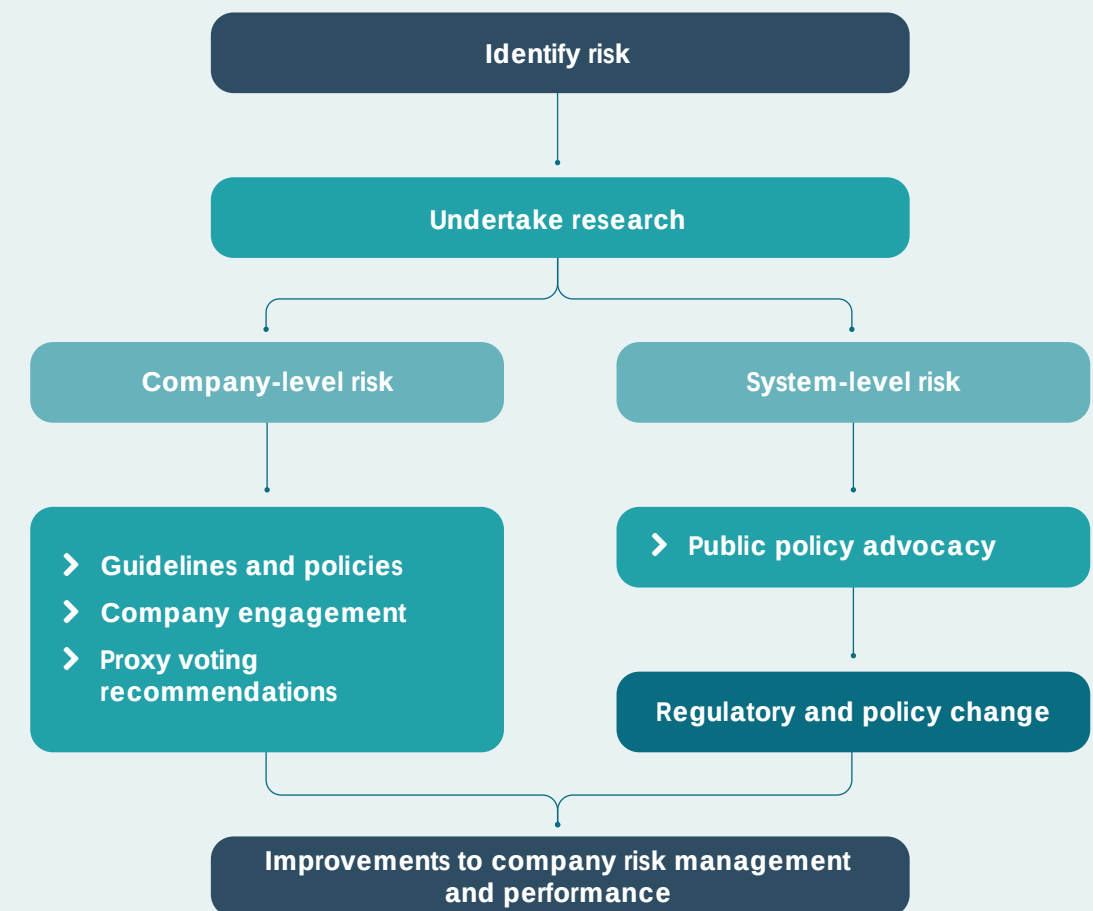
Our research is a trusted source of information for investors and companies.

Leadership on ESG regulatory issues

Our public policy positions are backed by our research and developed with a long-term perspective. ACSI seeks to lead in our key areas of expertise, advocating for financial markets to consider long-term value.

How we support investment stewardship

ACSI supports our members in using their ownership rights with a work program designed to positively influence the management of ESG issues at listed companies.



Our contribution



Remuneration and termination payments

This year's CEO pay in ASX 200 companies research proved both the value of shareholder vigilance on executive remuneration and of longitudinal research itself, revealing a long-term trend in which termination payments have dropped significantly.

Shareholders foot the bill for 'golden parachutes', as termination payments are often called. These payments were a major issue in the Australian market in 2008 and 2009 alone — termination payments to executives of major public companies cost shareholders over \$117 million.

As our research showed in FY24, termination payments cost \$8.38 million, the lowest level in 15 years.

Changes to the Corporations Act — which ACSI supported in the wake of 2009's global financial crisis — were a key driver of this reduction, improving the market's ability to limit egregious practices.

There will always be outliers, but the long-term trends on fixed pay, realised pay and termination pay show that the diligence of Australian investors and boards has meant that CEO pay levels have generally avoided the CEO pay 'break-out' that we see in markets like the US.

These efforts must be sustained to ensure that remuneration outcomes match long-term performance and the value delivered to investors.



Safety

Safety directly affects employee wellbeing, productivity, and overall company performance. Beyond the human impact, poor safety practices can expose companies to substantial financial, operational, and reputational risks linked to social licence to operate.

ACSI has monitored the safety performance and reporting of ASX300 companies for several years. The high proportion of fatal incidents involving contract workers has driven our efforts to have companies separately disclose contractor-related data and explain how the company ensures alignment of its safety culture and practices across its direct and indirect workforce to prevent future harm. This year we saw a significant uplift in contractor safety reporting among companies operating in inherently high-risk safety sectors, increasing from 47% to 57% of reporting companies.

ACSI has clearly articulated our expectation that, to drive accountability and change, boards should meaningfully reflect the consequences of fatalities and safety failures in executive remuneration.

This year we saw significant improvements from ASX companies with previously misaligned pay outcomes and safety performance. The improvements include increased transparency of safety hurdles embedded into executive remuneration, introduction of leading indicators, (which assess a company's holistic approach to safety management) to work alongside lagging safety measures, and board-applied discretion in the event of poor safety outcomes.



ACSI's members are universal owners and invest across the ASX300. We target our engagement at the companies with financially material sustainability risks that our members are most exposed to. These risks differ at each company and engagement can differ on each issue.

ACSI Stewardship report. To read about our engagement priorities, activities and outcomes in depth, [download the full Stewardship report.](#)

Our operating environment

ACSI operates in a complex external environment and must respond to changes and developments to maximise our success. Here are some of the forces that influenced our organisation, priorities and activities in FY24-25.

> Geopolitical unrest

Rising geopolitical tensions and international trade wars are driving uncertainty among investors.

> ESG both in favour and attacked

Environmental, social and governance issues continue to be embedded around the world, apart from in the US, where the government has blocked aspects of ESG practices.

> Superannuation fund mergers

Merger activity within the superannuation industry continued in FY24-25, including within ACSI membership.

> Global growth

As funds under management continue to grow, Australian superfunds are investing in global markets.

> ESG focus

The Federal Government continues to act on a range of sustainability and governance issues, including climate change, biodiversity and modern slavery. Mandatory climate disclosures began in this financial year.

> Global reporting standards

Global, standardised company reporting is coming closer, and would support investors in comparing like for like while making decisions on behalf of their beneficiaries.

> Growing scrutiny

The increasing scrutiny of the public, media and NGOs on the sustainability practices of organisations is driving interest in stewardship and active ownership.

> Demand for expertise

The focus on ESG has highlighted the need for expertise. ACSI's knowledge and experience as a market player provides opportunities to support investors and companies in building knowledge.

Our work in action

Our program of research, engagement, advocacy and voting advice support our members in understanding environmental, social and governance issues and exercising their ownership rights.

We also conduct events and offer consulting services on ESG and related policy development, service provider analysis and support on ESG disclosures.



Research

We produce public and member-only research, with detailed insights into material investment issues, market practices and ASX300 companies.



Engagement

In 2024-25 we held 340 meetings with ASX300 companies. Our integrated approach allows us to move beyond the day-to-day to speak to companies about the ESG issues material to their organisations.



Voting Advice

ACSI members are active owners and exercise their voting rights to manage risks. Our voting recommendations align our engagement work with our voting research and are a useful input for subscribers when determining their voting positions.



Advocacy

We engage with government, regulators and others in the financial services sector to promote a regulatory system that is effective for long-term investors.



Events and training

We support our members and ASX-listed companies in building capability and knowledge on ESG issues through a series of events including our annual conference, webinars and seminars.

Research



Our research provides the foundation of our policy work and company engagement and underpins our voting advice. It focuses on the financially material sustainability and governance issues important to long-term investors.

In FY24-25, we continued our longitudinal research program, tracking listed company reporting on climate change and CEO pay.

We also released papers on the financial materiality of sustainability issues and a study of Australian attitudes towards the active ownership practices of superannuation funds.

ACSI's public reports are supplemented by a series of member-only research documents designed to better inform our members on key risks. In FY24-25, we provided members with exclusive nature, safety and gas research.

There will always be outliers, but the long-term trends on fixed pay, realised pay and termination pay show that the diligence of Australian investors and boards has meant that CEO pay levels have generally avoided the pay 'break-out' that we see in markets like the US.

CEO pay in ASX200 companies June 2025



June 2025



July 2024

CEO pay in ASX200 companies

2025's report revealed termination payments to CEOs of Australia's largest listed companies had shrunk to their lowest levels in 15 years. This is saving investors an average of half a million dollars per CEO termination, with the average payment falling from \$1.97 million to \$1.40 million. In part, this is due to fewer departures, but it forms part of a long-term trend that has seen egregious payouts shrink following changes to the Corporations Act post 2009's Global Financial Crisis. This again highlights the work of investors and boards in restraining pay breakouts.

However, it's a different story with executive bonuses, which remain persistent, with only two CEOs missing out in FY23 and five in FY24, ample evidence that annual bonuses for senior executives are in most cases not genuinely at risk.

ACSI uses this research to:

- Identify trends in CEO pay.
- Provide transparency to the market on realised pay.
- Inform discussions with company directors about evolving remuneration practice.

Promises, pathways and performance: Climate change disclosure in the ASX200

ACSI's longstanding research assessing climate change disclosure by listed companies found that 82% of the ASX200 reported against the Taskforce for Climate-related Financial Disclosures (TCFD). The vast majority also had net zero commitments, and importantly, most also set interim targets, which are crucial if investors are to understand the credibility of the company's ambition. The research also shows that many ASX200 companies were in a strong position to meet new mandatory climate disclosures, the first tranche of which began in 2025.

ACSI uses the research to:

- Benchmark disclosure.
- Identify priority areas for engagement.

Engagement



ACSI engages with the boards of ASX listed companies to discuss, understand and improve corporate governance practices and ESG performance.

This year, ACSI held 340 engagement meetings with 202 individual listed companies. 152 priority companies made improvements on key issues identified as significant to our investor members.

ACSI broadened its work in environment-related themes with increased focus on nature and biodiversity and delved deep into modern slavery reporting with intensive engagement work driven by our detailed research.

How do we engage?

Our company engagement usually involves meeting with board representatives and management teams of ASX300 companies to discuss a range of sustainability and governance matters.

Each year, ACSI sets priority themes for engagement, aligned to material ESG factors. When setting engagement priorities, ACSI's process is to assess the materiality of the issue, the exposure of investors and the objectives that need met to address investor concerns. In the diagram to the right, we explain those themes in more detail, as well as the outcomes of investor engagement. We note that company actions will be influenced by a range of internal and external factors. Our engagement seeks to provide a catalyst for change, but we do not seek to claim 'sole credit' for each change we contribute to.

Many of the key themes and target companies are part of multi-year engagements. This reflects the fact that change often requires persistence.

A selection of our engagement issues, grouped under Environment, Social and Governance, are outlined to the right.

Environment

Climate change

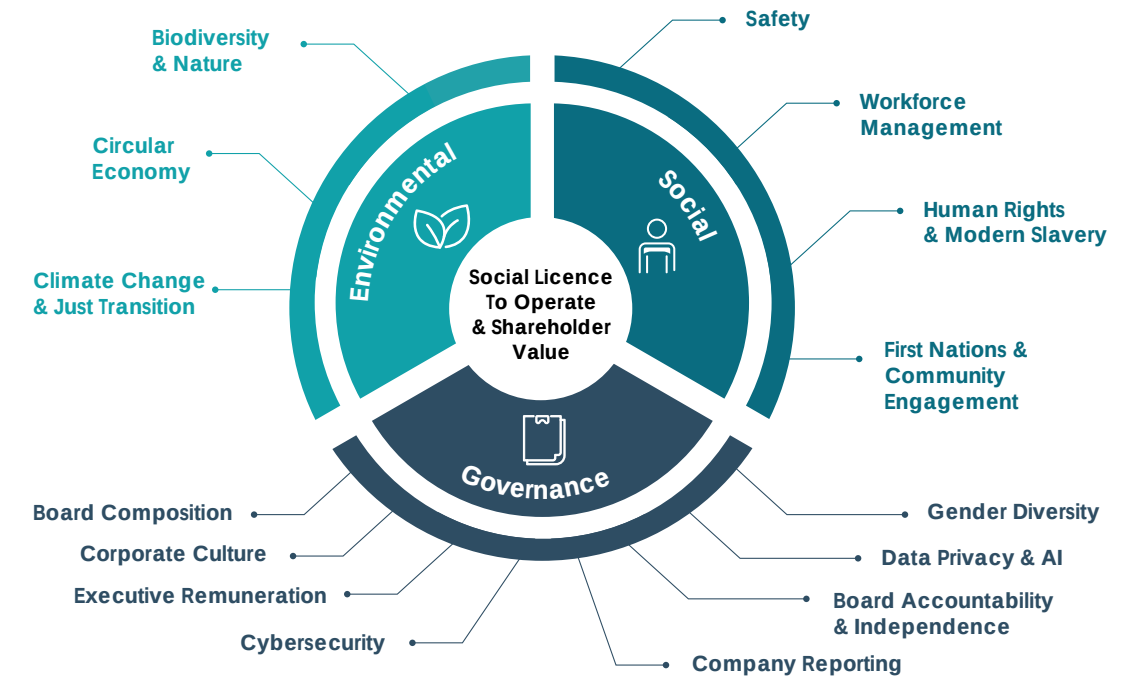
Long-term investors want to see an orderly transition to a low-carbon economy to reduce negative impacts from a heating climate and shifts in weather patterns on the economy, ecosystems and communities. ACSI encourages companies to not just set Paris-aligned aspirations but also provide clear disclosure of progress against those targets in the short, medium and longer terms.

Our multi-year engagement program with the ASX200 companies most exposed to climate change contributed to clear shifts in FY24-25, with progress being made on 30 priorities.

Circular economy

The circular economy is focused on three key principles: designing out waste, circulating products and materials, and regenerating nature. Adopting and scaling circular practices presents numerous opportunities, including emission reductions and reduced impact on nature and biodiversity loss.

ACSI's continued engagement with our priority companies across the retail, packaging and built environment sectors focussed on how they incorporate circular principles within their strategy. Improvements were made in seven priority areas.



Biodiversity and nature

Biodiversity underpins ecosystems that are essential to economic growth and human health. It is a systemic risk, yet nascent in terms of company attention, management and disclosures. Factors include land and soil management, water stress and degradation of forests.

Biodiversity loss can disrupt commodity supply chains and increase operating costs and reputational risk. Over half of the world's total gross domestic product is moderately or highly dependent on nature. Companies must be aware of associated risks and opportunities before they can manage them to maintain their social license to operate and avoid potentially negative impacts on valuations and credit ratings.

ACSI engages with companies to understand what they perceive to be their key nature risks. While comprehensive TNFD-aligned reporting is not expected immediately, ACSI encourages companies to make improvements disclosing available information, even if high-level or limited in scope.

Governance

Corporate governance

Governance risks for investors extend well beyond how boards meet the letter of the law to how they set and guide culture in their organisations. It is widely accepted that strong corporate governance provides a crucial foundation for strategic success and supports a company's ability to effectively manage environmental, social and sustainability risks and opportunities. ACSI approaches corporate governance issues with a focus on improving long-term investment outcomes.

Our team engages with companies to promote good governance, enhanced disclosure, and effective risk management practices. Our focus includes board quality and diversity, director accountability, and remuneration structure and outcomes.

In FY24-25, we made progress on 87 engagement priorities relating to corporate governance.

Executive remuneration

Executive remuneration is crucial in aligning the interests of senior management, employees, and shareholders, fostering sustainable, long-term performance and shareholder value.

Persistently high bonus outcomes and lack of alignment with the shareholder experience are among the governance issues ACSI focussed on in FY24-25. These issues are also of clear concern to other investors, with 36 remuneration report strikes recorded throughout the year.

Following ACSI engagements, 28 priority companies made improvement to their remuneration practices and transparency.

Gender diversity

To promote long-term success, boards should be comprised of individuals who can work together effectively and bring diversity of thought to board decision-making.

In FY24-25, women held 40% of board seats in ASX100 companies and are on the cusp of reaching that milestone across the ASX300. This highlights the impact of significant work by investors and boards in the Australian market, nearly doubling the number of women on listed company boards. .

ACSI continues to engage with the small minority of companies that have made little progress at board level, while also considering diversity at the executive level and exploring ways to boost diversity of skills and thought on corporate boards.

Social

Modern slavery

It is likely that modern slavery is present somewhere in the operations or supply chain of many Australian businesses. Identifying instances of modern slavery provides an opportunity to address it and make meaningful change.

Companies relying on unethical and unsustainable business practices risk reputational damage, regulatory penalties, and eroded stakeholder trust. These issues can disrupt operations, increase costs, and undermine brand value, long-term shareholder value and financial performance. Australian companies and many large investors are required by law to tackle modern slavery risks in their operations and supply chains.

ACSI engaged with 24 companies across eight sectors throughout the year, encouraging greater transparency of risk and mitigation actions, improved processes to identify instances of modern slavery and their remediation. ACSI seeks to drive better practice, help our investor members meet their own obligations under the Modern Slavery Act and, through this work, contribute to ending modern slavery.

Safety

Workplace health and safety has been a longstanding priority in ACSI's engagement program. For several years, ACSI has monitored the safety performance at ASX300 companies and engages as soon as workplace-related incidents are identified to understand what companies are doing to strengthen safety risk management practices and identify areas for improvement in governance, culture, alignment with remuneration, and reporting.

ACSI has clearly articulated our expectation that, to drive accountability and change, boards should meaningfully reflect the consequences of fatalities and safety failures in executive remuneration. This year we saw significant improvements in this area, and targeted engagement has also seen companies improve transparency on safety performance.



For our members, taking into account the impact that corporate governance, climate change, employee safety and stakeholder management can have on a company is about delivering the best possible value to their members.

ACSI CEO Louise Davidson, ACSI Conference 2025

Voting advice



Voting shares at company meetings is an important shareholder right, and a means for investors to monitor company governance and promote long-term performance. ACSI provides members with detailed research and voting recommendations to ensure that funds are able exercise their voting rights in an informed manner. In FY24-25, ACSI provided research on 1,989 resolutions across 321 ASX300 shareholder meetings.

Remuneration strikes

In FY24–25, 36 ASX300 companies received remuneration strike votes, including 11 that recorded a majority vote against from investors.

Investor concerns ranged from poor pay structures, companies waiving performance hurdles, failure to reflect accountability in bonus payouts and in some cases, an overall displeasure of the company's performance and shareholder experience.

Director elections and board diversity

ACSI recommended against 40 directors at ASX300 companies in FY24-25 after considering several factors including board accountability, independence and diversity composition. Of these, 18 were due to a lack of improvement on board diversity, an increase on last year's 12 'against' recommendations on diversity grounds as ACSI exercised its Gender Diversity Voting Policy. Pleasingly, there has been significant progress across the market and the ASX100 has hit a milestone of 40% women on boards.

Say on Climate and Shareholder Resolutions

During FY24-25, ACSI provided voting advice on 'say on climate' proposals at three ASX-listed companies — BHP, Santos and Rio Tinto — which were presenting a second round of climate advisory votes. In ACSI's experience, companies committing to such advisory proposals often increase the level of engagement with shareholders and can contribute to improvements in transparency and company practices.

A total of 24 shareholder proposals were put forward at ASX300 companies in the financial year, including those which touched on issues, such as climate change, nature and biodiversity, collapsing dual-class share structures and paid parental leave.

Advocacy



ACSI advocates with government, regulators and policy makers to better align financial markets with long-term, sustainable investment and our members' interests. We are also active in collaborative policy forums.



Climate change and sustainability issues

ACSI submitted its views to a range of government and regulator consultations on the management of climate and other sustainability risks in FY24-25 and participated in the panel and forums listed below.

- [Climate related and Other uncertainties in the Financial Statements](#)
- [Proposed Australian Standard on Sustainability Assurance - ASSA 5010](#)
- [ASIC Guidance on Sustainability Reporting](#)
- Productivity Commission Net Zero Inquiry
- [Carbon Leakage Review](#)

Associations

- Net Zero Economy Agency Stakeholder Panel
- Attorney General's Modern Slavery Expert Advisory Group
- ASFI Advisory Committee



Public policy settings influence listed companies' performance on long-term sustainability issues.
- ACSI Stewardship report.

[Read more about our advocacy work in 2024-25](#)





Governance and Stewardship

ACSI continues to advocate for better recognition of stewardship activities in the Australian environment, and in pressing for higher standards of governance in listed companies. Our advocacy work this year included the following submissions and membership of the policy groups below.

- Statutory review of the Meetings and Documents Amendments
- Sustainability Collaborations and Australian Competition Law
- [WGEA Gender Equality Indicators](#)
- [Positioning Australia's financial reporting system for the future](#)
- ASIC Discussion Paper [Australia's evolving capital markets](#)
- Treasury Laws Amendment Bill – [Enhanced disclosure of ownership of Listed entities](#)
- [UK Stewardship Code](#)

Associations

- ASX Corporate Governance Council member, and member of the drafting Group
- ASIC Consultative Panel on Corporate Governance
- ICGN Global Network of Investor Associations
- ICGN Global Stewardship Committee

ACSI also meets regularly with regulators, standard setters, supervisors and policy makers, including:

- Treasury, on mandatory climate reporting and the sustainable finance strategy (product labelling and transition planning in particular)
- ASIC, on greenwashing, mandatory climate reporting and liaison meetings)
- Australian Accounting Standards Board (AASB), on mandatory climate reporting)
- APRA
- The Financial Reporting Council, and
- The International Sustainability Standards Board.

ACSI's members are Australian superannuation funds and domestic and international asset owners. Superannuation funds need to act in the best financial interests of their members and ACSI's work is designed to strengthen the value of listed company investments in the best financial interests of Australian super fund members.

ACSI Stewardship report, 2025

Events and training

ACSI Conference

The 2025 ACSI annual conference drew 309 delegates, held on Wednesday 2 April at the Grand Hyatt Melbourne.

The conference featured ASIC Chair Joe Longo and the inaugural public address by Australia's anti-slavery commissioner Chris Evans, our annual directors and investors panels and sessions on nature, AI, safety and climate.

Survey respondents expressed 95.55% overall satisfaction with the conference, and 97.73% would recommend it to a colleague. The member-only dinner hosted by ACSI on the eve of the Conference was attended by 87 people.



ACSI President and HESTA CEO Debby Blakey.



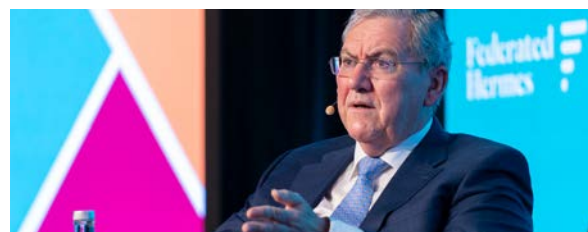
Louise Davidson, ACSI CEO.



Chris Evans, Australian Anti-Slavery Commissioner



Christine McLoughlin AM, Suncorp Group and Aware Super Chair



Joe Longo, ASIC Chair.



Christine Holman, AGL Energy and Collins Foods NED.



Vicki Doyle, Rest Super CEO



Dr Ken Henry AC, Chair Australian Climate and Biodiversity Foundation



John Mullen, Qantas, Brambles, Treasury Wine Estate Chair.

Trustee Forum

ACSI's 2025 Trustee Forum, held on Tuesday 1 April, brought together 27 Trustee Directors from 12 member funds for sessions on the regulatory environment and the global investment landscape.

Education

ACSI seminars and webinars

As part of ACSI's 2022–2025 Strategic Plan, we implemented an education program which sought to leverage ACSI's expertise and improve practices within companies.

In 2024-25, we presented two climate seminars — **Getting to Net-Zero** and **Climate Solutions** — to 157 delegates in Sydney and Melbourne. 100% of survey respondents said they would recommend the seminars to a colleague.

The series' benefits have included providing ACSI members with greater understanding of the ESG practices and challenges in their investee companies, increasing direct exposure through education to ASX company representatives and providing forums where both ACSI members, and ASX representatives could learn from each other and discuss common issues.

Our member-only series of webinars also continued throughout the financial year, offering members a time-efficient and convenient delivery of issues information.

This year we provided five well-attended member webinars:

1. Traditional Owner concerns in mining
2. Investor briefing on community concerns related to Rio Tinto
3. The UK's new product labelling and anti-greenwashing regime, featuring Sacha Sadan, Director of ESG at Financial Conduct Authority (FCA)
4. Investing Through Uncertainty: The impact of US Policy Shifts with Bob McCormick, Executive Director of Council of Institutional Investors (CII); and
5. Corporate governance observed, with Joe Aston.

Identifying and managing risk

Risk management is embedded into ACSI's governance processes and incorporated in our strategic and business plans. We regularly assess and review existing and potential risks to our business to ensure they are effectively managed. The board sets the risk appetite on an annual basis.

We report our risks to the Finance, Risk and Audit Committee (FRAC) and the board quarterly and continue to monitor and evolve our control environment to reflect the broader environment in which we, and our members, operate in.

ACSI reviews our inherent and residual (after controls have been applied) risk profile for each risk every quarter or as changes occur. Executives complete an annual attestation, which is reported to the FRAC and the board each June.

Our risk reporting framework lists material risk scenarios which have the potential to affect ACSI's strategic objectives, compliance obligations, reputation or operational stability. These risks are defined within one of four risk categories - strategic risk, operational risk, financial risk and governance risk.

Key inputs



Board

Overall responsibility for ensuring risks are managed and minimised and setting our risk appetite.



Finance, Risk and Audit Committee (FRAC)

Reviews material risks and advises the board on our risk management process.



Management

Responsible for day-to-day risk management and reporting to board and FRAC.

Strategic risk example

Our most significant risk is a material loss of funding and the impact of that on our ability to maintain operational stability and focus on our strategic intent. Below is a sample map for this risk.

Non-strategic risks

All our non-strategic risks fall within the categories of operational, financial and governance risks. These include risks related to operational stability in services, communication and relationship management, financial management, governance, HR or IT. Most have a low to moderate risk ratings and are managed within our existing mitigation controls.

Material loss of funding			
Risk	Key risk	Response	Rating
Material loss of funding	Merger activity between funds Market volatility Member departures or downgrade	High member retention & satisfaction Fee structure Sufficient operating reserve Member acquisition	Inherent rating High Residual rating Moderate

Measuring our success

Strategic and business plans

ACSI operates on a three-year cycle strategic plan period, having recently completed year one of our 2022-2025 strategic plan period. The development of our strategic plan incorporates the input of our staff, board and Member Advisory Council representatives, considers the environment and industry landscape in which we operate and ensures we not only consider business as usual initiatives but transformational opportunities as well. In addition to the program of work approved by our board for the strategic plan period, each year we also prepare a detailed twelve-month business plan.

Our business plan focuses on the actions and projects we must achieve to deliver the strategic plan and the board monitor our progress on a quarterly basis. Our 2023-24 business plan considers the impacts of the current operating environment in which we operate, including ongoing merger activity within the superannuation industry.

Key performance indicators

We set detailed key performance indicators (KPIs) that reflect the primary and secondary milestones and activities that will support the overall achievement of our strategic plan objectives. Read more about our work in ACSI's [Stewardship report](#).

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Additional resources

A range of ACSI resources support our work, measure our success, and outline our expectations to stakeholders. These include:



Governance Guidelines

The [Governance Guidelines](#) define our members' expectations for the governance practices of the companies in which they invest. The guidelines are updated every two years. Find out [more](#).



Policies

Our members recognise that ESG risks and opportunities can have a material impact on investment outcomes. Our position on, and approach to, key ESG issues are found in our policies. Find out [more](#).



Stewardship reports

Each year we summarise our company engagements, including key topics we discussed and measurements of outcomes. Find out [more](#).



Annual financial statements

Our financial statements are publicly disclosed on the ACSI website. Visit our 'Corporate Documents' [page](#).



Our members

Our members are fiduciary Investors with a responsibility to act to enhance the long-term value of the savings entrusted to them. Find out [more](#) about our members.



Our team

Our staff has deep ESG and financial services experience, joining ACSI from a range of backgrounds and disciplines including law, accountancy and journalism. Meet ACSI's [staff](#).

Reporting on ESG risks

ACSI encourages listed companies to report their ESG risks and opportunities, including on modern slavery and climate change. By also preparing those reports ourselves, we seek to promote better practice reporting across the market.



Climate risk

[Climate change](#) is distinctly financial in nature. Its risks and opportunities are deeply embedded across the financial system and can impact the long-term value of our members' investments.

ACSI engages with companies to understand how they manage the climate-related risks and opportunities material to their business and to clearly communicate our expectations.

We have a net zero commitment and report our own climate risks against the Taskforce on Climate-Related Disclosures (TCFD).

Read our TCFD statement [here](#).



Modern slavery risk

Modern slavery impacts [millions of people across the globe](#). Because of that, modern slavery issues are not just an ethical responsibility for companies, they are a reputational and investment risk with the potential to undermine shareholder value.

All businesses should assess their exposure to modern slavery. ACSI undertakes a modern slavery assessment each year. You can read our Modern Slavery Statement [here](#).

Financial information

Financial statements

The table below is an extract from ACSI's financial statements for the year ended 30 June 2025, taken from our audited financial statements. Our latest financial statements are available on our website [here](#).

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	2025 (\$)	2024 (\$)
Revenue from ordinary activities		
Membership subscription fees	6,705,375	6,276,198
Voting alert subscription fees	1,356,214	1,337,721
International engagement service fees	340,093	305,340
Fee for service consulting fees	32,219	-
Conference and events	710,127	810,644
Interest	564,445	461,433
Other income	114	938
Total revenue from ordinary activities	9,708,587	9,192,274
Expenses from ordinary activities		
Staff cost including superannuation	5,687,081	5,147,222
Finance and office expenses	954,167	917,744
Legal, compliance and consulting expenses	374,888	458,948
Research costs	279,500	286,904
Events and communication	425,253	492,744
Travel expenses	140,480	87,654
Promotion and development costs	13,138	20,051
Voting alert services	1,323,924	1,264,608
International engagement	195,562	191,867
Total expenses from ordinary activities	9,393,993	8,867,742
Profit from ordinary activities before income tax	314,594	324,532
Income tax expense	-	-
Profit from ordinary activities after income tax	314,594	324,532
Other comprehensive income	-	-
Total comprehensive surplus for the period	314,594	324,532

BALANCE SHEET	2025 (\$)	2024 (\$)
Current assets		
Cash and cash equivalents	9,253,282	7,076,043
Term Deposits	5,100,000	7,900,000
Receivables	73,123	329,495
Prepayments and other assets	538,515	556,952
Total current assets	14,964,920	15,862,490
Non-current assets		
Property, plant & equipment and right-of-use assets	924,973	1,115,400
Intangible assets	-	56,236
Total non-current assets	924,973	1,171,636
Total assets	15,889,893	17,034,126
Current liabilities		
Other payables	800,617	1,104,864
Employee benefit obligations	938,845	784,117
Lease liabilities	155,135	136,826
Income received in advance	6,191,314	7,356,202
Total current liabilities	8,085,911	9,382,009
Non-current liabilities		
Employee benefit obligations	61,979	69,572
Lease liabilities	786,122	941,258
Total non-current liabilities	848,101	1,010,830
Total liabilities	8,934,012	10,392,839
Net assets	6,955,881	6,641,287
Equity		
Reserves	5,100,000	4,950,000
Retained earnings	1,855,881	1,691,287
Total equity	6,955,881	6,641,287

Remuneration

All our capitals are vital to creating value, however, our staff (our 'human capital') play the greatest role in achieving our mission and vision. Therefore, getting our staff remuneration right is extremely important. As part of its commitment to its dedicated people, ACSI focuses on remuneration within its capacity to pay in accordance with staff responsibilities, while also ensuring that ACSI staff have the right training and development opportunities.

Our remuneration policy is designed to achieve the following goals:

- Support our strategic and cultural objectives.
- Promote sound risk management principles.

- Ensure remuneration is equitable, transparent and consistent.
- Be competitive within the market in which ACSI operates.
- Balance the relationship between remuneration pressure and cost to our members.
- Enable employees to understand the basis for remuneration decisions.

ACSI's Remuneration Committee assists the board with the oversight of ACSI's Remuneration Policy and practices. Members of the board, board committees and the Member Advisory Council are not paid for their services. Executive remuneration can be found [here](#).

ACSI Members as at 30 June 2025

Australian Council of Superannuation Investors

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