ACSI

Research / Engage / Influence /



2026 Annual Report

2025–2026 Financial Year

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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.

About this report

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

This annual report covers the 2025–2026 financial year (FY25-26) 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.

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 FY25-26 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 28 October, 2026.

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 fifteen full member representatives, with the President and Deputy President elected from and by the Board.

ACSI Directors as at 30 June 2026:

Fund	Director	Date appointed
IFM	David Whiteley (President from 20 April 2026)	29-Sep-25
Australian Retirement Trust	Nicole Bradford	
Australian Super	Rose Kerlin	
Aware Super	Deanne Stewart	
Brighter Super	Fiona Mann	1-Jul-25
Care Super	Jessica Munday	1-Oct-25
Cbus	Kristian Fok	
First Super	Casey Thompson	
HESTA	Maria Wilton	20-Apr-26
HOSTPLUS	David Elia	
REST	Leilani Weier	11-Aug-25
State Super	John Livanas	
Together Trustees (Equip)	Justine Hickey	
UniSuper	Lou Capparelli	
VFMC	Kate Galvin	

ACSI Member Advisory Council

Fund	Name	Date appointed
Equip Super	Justine Hickey - Chair	
Australian Retirement Trust	Dan Smith	
Australian Super	Andrew Gray	
Aware Super	Liza McDonald	
Brighter Super	George Kendall	3-Dec-25
Care Super	Claire Molinari	
Cbus	Ros McKay	
ESS Super	Daniel Selioutine	
First Super	Aloysius Landrigan	23-Feb-26
HESTA	Kim Farrant	
HOSTPLUS	Kylie Molinaro	
IFM Investors	Ashley Kopczynski	
Legalsuper	Andrew Lill	
NGS Super	Sudipta Ghosh	27-Mar-26
REST	Kim Martina	11-Aug-25
State Super	Keri Pratt	1-Dec-25
Team Super	Susan Chau	
Togethr Trustees (Equip)	Jessie Pettigrew	
UniSuper	Jodie Barns	
VFMC	Shali Lingaretnam	

Letter from CEO and President



Louise Davidson
Chief Executive Officer



David Whiteley
President

ACSI turned 25 this year. That's a quarter of a century of engaging with listed companies on — and raising awareness of — financially material governance and sustainability risks and opportunities.

Recognising that poor corporate governance inherently held such material risks, industry superannuation funds created ACSI in 2001 to help them make informed decisions on corporate governance issues. Over time, our mission evolved to encompass company engagement, proxy voting advice and advocacy for system-level governance that promotes accountability, transparency and confidence.

As if to underscore ACSI's raison d'etre, in ACSI's first year of operations, HIH, One.Tel, Enron and WorldCom all collapsed following significant governance failures, wiping billions from workers' retirement savings.

In 2003, ACSI released the first of our essential *Governance Guidelines*, outlining the material sustainability and governance issues investors believed boards should consider. With these corporate collapses at front of mind, inaugural President Michael O'Sullivan put the rationale for the Guidelines plainly:

"The fact is that the workers of Australia are now more acutely aware than ever before that corporate governance failures have cost investors money," he wrote, and now they faced losing not only jobs, but their retirement savings.

Over 25 years, ACSI's work has evolved into a comprehensive stewardship effort on behalf of super funds and their members. Through research, engagement with hundreds of listed companies each year, voting advice and public policy advocacy, we aim to see financially material governance and sustainability risks well managed in the companies Australians rely on for their retirement savings.

Much of this work happens quietly and over long periods of time. Improvements in areas like management of climate change, workplace safety, board accountability and executive pay have often taken years of engagement, careful research and collaboration between investors, companies and policymakers. These outcomes demonstrate what sustained, collective stewardship can achieve.

This work is not always uncontested. Recently, we have started to hear governance being characterised as "red tape" or an impediment to productivity, alongside arguments that weakening investor protections would encourage listings, reduce costs or promote growth. Little, if any evidence, has been advanced to back these claims. The better question is whether Australia can afford to weaken the governance settings that have helped make our capital markets trusted, transparent and attractive to long-term investment.

For every call to reduce the 'governance burden', there is a listed company example of why governance is required. From Star Entertainment to Wise Tech, the outcomes of governance failures are a reminder that these protections exist for a reason.

Nothing illustrates this better than James Hardie's acquisition of AZEK, which a loophole in the ASX listing rules allowed without affording shareholders a vote and had a material impact on their share price. Following shareholder action, this ultimately resulted in the loss of their Chair and two directors.

Investors, including ACSI members, know that unwinding shareholder protections risks long-term value, and reacted strongly against James Hardie's moves. Workers' retirement savings and the integrity of the super system requires strong corporate governance and investor protections across ASX listed companies. Updated ASX Listing Rules addressing these issues will come towards the end of 2026.

As understanding grows of the material nature of issues such as climate risk, nature loss, modern slavery and workplace safety, so does ACSI's work, with new issues continuing to emerge.

In FY26 we added Responsible AI as an engagement theme. How companies govern their use of AI, manage its risks and treat their workers in the process directly bears on their reputations, competitive positioning, operational sustainability and long-term returns.

None of this work would be possible without the support of our member super funds, and our dedicated board and member advisory council members, who have our sincere thanks.

For 25 years, ACSI and its members have worked to improve the management of material sustainability and governance risks to protect and enhance the retirement savings of millions of Australians. No one can know what awaits as we begin our next quarter century, but our dedication to making real, lasting change and building long-term value remains steadfast.



Louise Davidson
Chief Executive Officer



David Whiteley
President

Our thanks to HESTA's Debby Blakey, who stepped down as ACSI President in April after five years as a solid champion for ACSI and for managing the financially material sustainability and governance issues we deal with.

New President, IFM Investors' David Whiteley brings his expertise in responsible investment and strong history of working collectively to the role, and we look forward to working alongside him.

Farewell to two long-standing ACSI leaders who departed in 2026.

For nearly two decades, Ed John's expertise, leadership and commitment as executive manager, Stewardship, made a significant contribution to ACSI's growth, influence and reputation.

Chief Financial Officer and Chief Operating Officer, Karen Griffiths, brought professionalism, dedication and collegiality to all she did for the ACSI team and members over the past six years.

Our best wishes and thanks go with both of them for their future endeavours.

About ACSI

ACSI is a strong, collective voice on financially material sustainability and governance issues on behalf of our members. Our members include institutional investors and asset owners from Australia and overseas with collective funds under management of more than $2.2 trillion.

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

This 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.





Our way of interacting

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

ACSI members
ACSI members make up our governance structure, participate in company engagements and attend webinars, events and briefings. Members are consulted every year on engagement priorities, advocacy positions and research projects considering the most material financial impact over the long term.

We keep members updated through a range of regular communications and use annual surveys to measure member engagement and satisfaction.

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. Staff training and flexible working practices contribute to an engaging environment.

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

ASX companies
Our engagement with ASX listed companies — crucial to driving change — relies on our transparent expectations. Our Governance Guidelines detail our members' expectations of company governance and ESG risk management.

Non-government organisations
We engage constructively with NGOs, focussing on achieving the best outcome for members' beneficiaries.

Our capitals: How we create value

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

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

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. We build thematic expertise to deliver a unique service to our members.

→ Value creation
We 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
We leverage our 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
We 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

We produce evidence-based research providing insights on the material sustainability issues significant to our members. ACSI research informs our company engagement, supports our advocacy work and underpins voting advice to members.

Engage

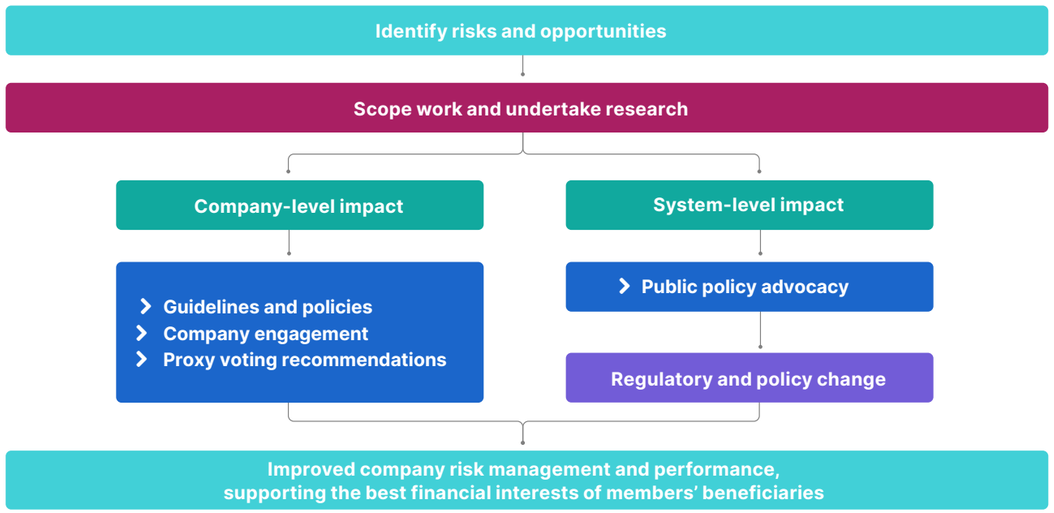
ACSI speaks directly with ASX300 companies about managing material environmental, social and governance risks and opportunities. Having a seat at the table and using it wisely can effect change within listed companies, improve risk management practices and build long-term value for our members.

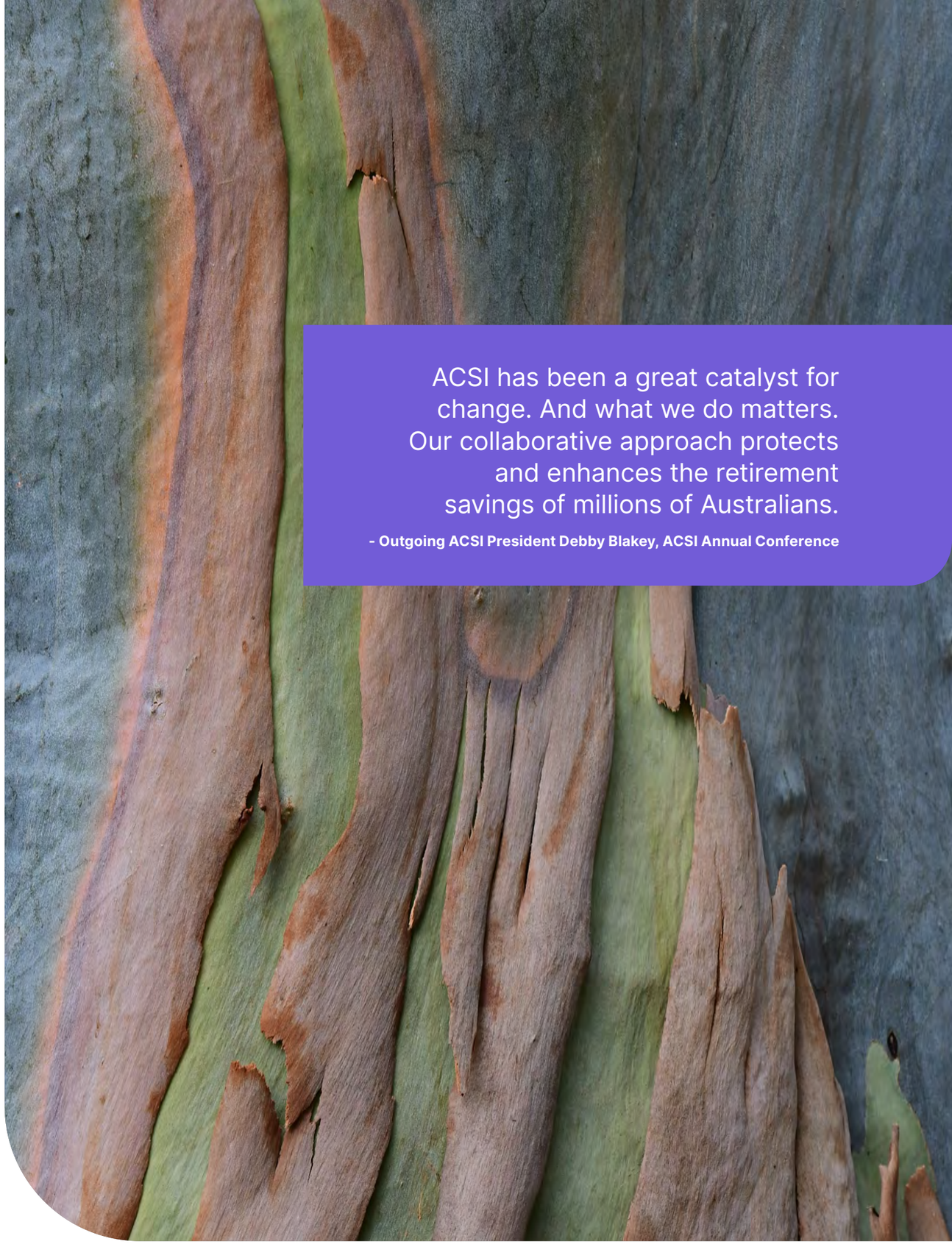
Influence

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.

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.





ACSI has been a great catalyst for change. And what we do matters. Our collaborative approach protects and enhances the retirement savings of millions of Australians.

- Outgoing ACSI President Debby Blakey, ACSI Annual Conference

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 FY25-26.

ESG in focus
Australian investors continue to be focused on sustainability and governance issues. However, the anti-ESG policy environment in the USA may impact the markets in which our members invest.

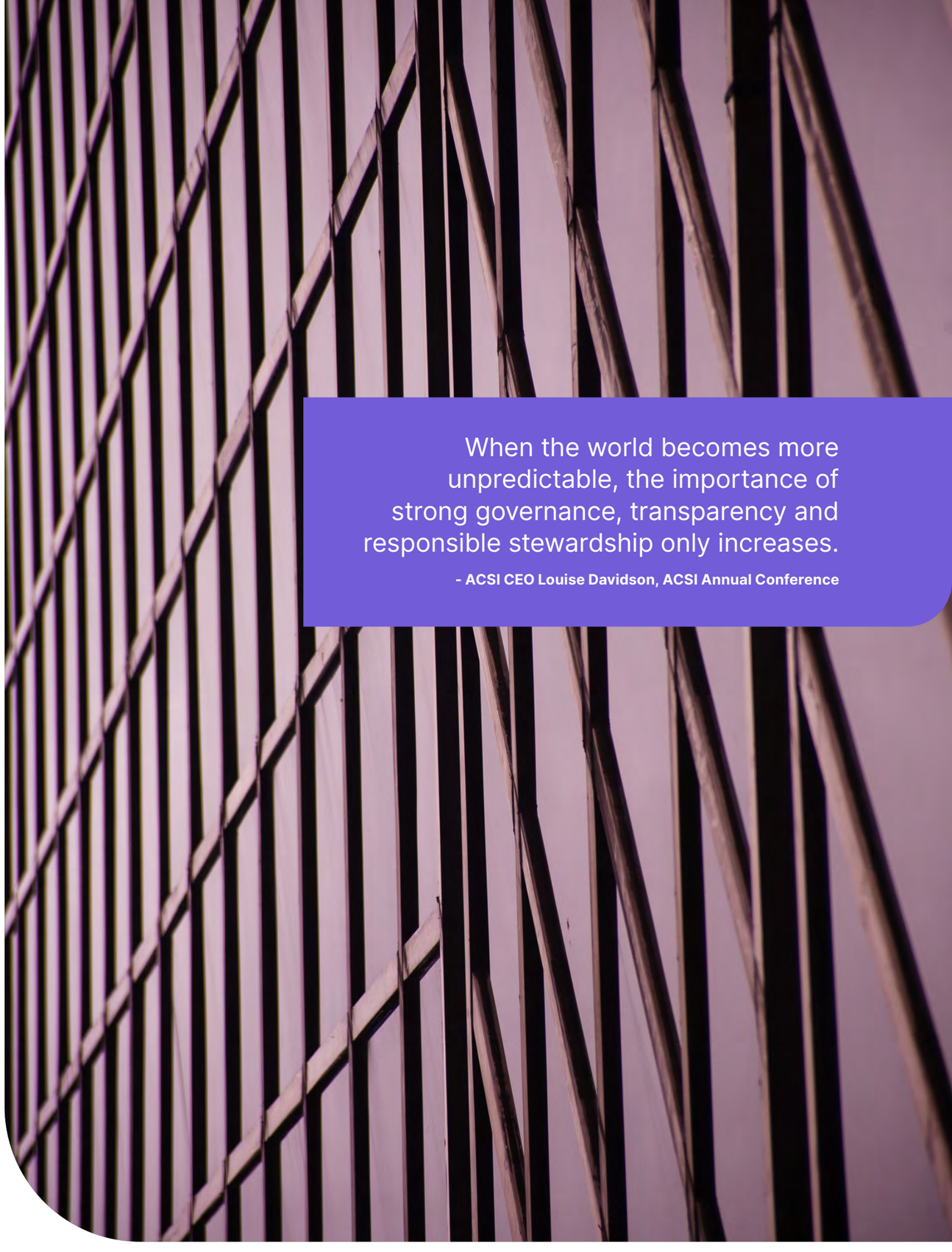
Industry consolidation
The number of profit-to-member funds has more than halved over the last 12 years and funds will continue to seek merger opportunities where it supports the best financial interests of its member beneficiaries.

Global growth
The saturation of listed investment markets in Australia and compelling opportunities offshore have caused asset owners to increase their allocations to global investment strategies.

Geopolitical unrest
Ongoing violence around the world alongside international trade wars continues to drive uncertainty.

Regulatory interest
The regulatory attention on fund governance and expenditure in the superannuation industry has intensified over recent years.

Technology shifts
The growth of AI is beginning to transform financial services. Careful consideration of potential risks and ensuring that data privacy and regulatory compliance remain paramount.



When the world becomes more unpredictable, the importance of strong governance, transparency and responsible stewardship only increases.

- ACSI CEO Louise Davidson, ACSI Annual Conference

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

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 FY25-26, our longitudinal research into CEO pay showed that, for the first time, US-based executives claimed half of the top ten highest earning list. We also released research establishing the baseline of ASX20 public reporting on mental health, and worked with the AICD to produce guidance to support boards and investors in navigating the complexities of climate transition planning: Governing for Net Zero: The Board's Role in Organisational Transition Planning.

ACSI's public reports are supplemented by a series of member-only research documents designed to better inform our members on key risks. In FY25-26, we provided members with exclusive research on gambling harm, safety reporting, inclusion and diversity and a series of reports on responsible artificial intelligence. We also released high-level guidance for superannuation fund climate reporting to members.



To see more on how our research integrates into our engagement and voting recommendations, read our Stewardship report.



CEO pay in ASX200 companies – July 2026

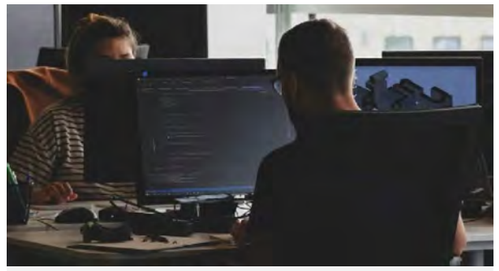
The research into last financial year's executive remuneration showed that, for the first time in the history of the study, CEOs outside Australia took half of the top ten spots, staking their claim to the biggest salaries in the ASX.

At home, scrutiny from Australian investors and boards has kept Australian-based CEO remuneration to a more reasonable level, with ASX100 CEO fixed and cash pay levels continuing to plateau. With a median salary of $1.83m, Australian CEOs are still receiving less than their colleagues in the record year of 2012, who took home a median of $1.95m.

However, once again ASX100 CEOs are more likely to lose their jobs than their bonuses. In fact, aside from Covid's FY20, every year for the past 11, ASX100 CEOs have received a median bonus of between 60% and 77% of maximum bonus levels. This year, only five CEOs didn't get a bonus at all. Rather than being genuinely at risk, there's clear evidence that CEO bonuses continue to be a 'given' in Australia's largest companies.

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.



Establishing the Baseline: ASX20 Performance Against the CCLA Mental Health Benchmark – April 2026

Alongside the human toll of poor mental health, Comcare estimates it costs Australian businesses approximately $11 billion through absenteeism.

It's not for companies to solve the mental health crisis on their own, but research shows workplaces can make a significant difference. The Productivity Commission report found that for every dollar invested in workplace mental health interventions, returns of between $1 to $4 followed.

Investors have significant challenges in assessing companies' approaches to such a complex and interconnected issue, but transparent company reporting is one way to do so. It also provides insights into company culture, board oversight and accountability.

To better understand the baseline state of reporting in Australia, ACSI commissioned an assessment of ASX20 reporting against the CCLA Mental Health Benchmark. It is pleasing to see that psychological wellbeing of the workforce is resoundingly on the business agenda. Mental health disclosures are still in their infancy in Australia, but we hope these findings will be a catalyst for both company and investor action on workplace mental health.

ACSI is using this research to:

- Inform discussions with companies about their approaches to the mental health of their workforce.
- Identifying trends and safety engagement priorities related to mental health and wellbeing.

Engagement

ACSI engages with the boards of ASX listed companies to discuss, understand and improve corporate governance and sustainability practices and performance. This year, ACSI held 333 engagement meetings with 209 individual listed companies.

Engagement issues included corporate governance, climate change, nature, modern slavery, safety, First Nations and local communities, and gambling harm. This year we also introduced Responsible AI as a new engagement theme, reflecting how quickly artificial intelligence has moved from market conversation to material risk.

How do we engage?

We meet with ASX300 company board representatives and management teams to discuss a range of sustainability and governance matters and encourage improvements to the identification, disclosure and management of those matters.

Each year, ACSI sets priority themes for engagement, aligned to material sustainability and governance factors. In setting engagement priorities, we assess the materiality of the issue, member exposure and the objectives that need to be met to address investor concerns.

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

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



Environment

Climate change

Climate change can materially impact investments through physical, transition and systemic risks. These can alter asset valuations, cost structures, supply chains and long-term growth and profitability, while also creating opportunities in renewable energy, green technologies and sustainable solutions. As universal owners, superannuation funds cannot easily diversify away from the impact of climate change and investments are expected to be increasingly impacted over time.

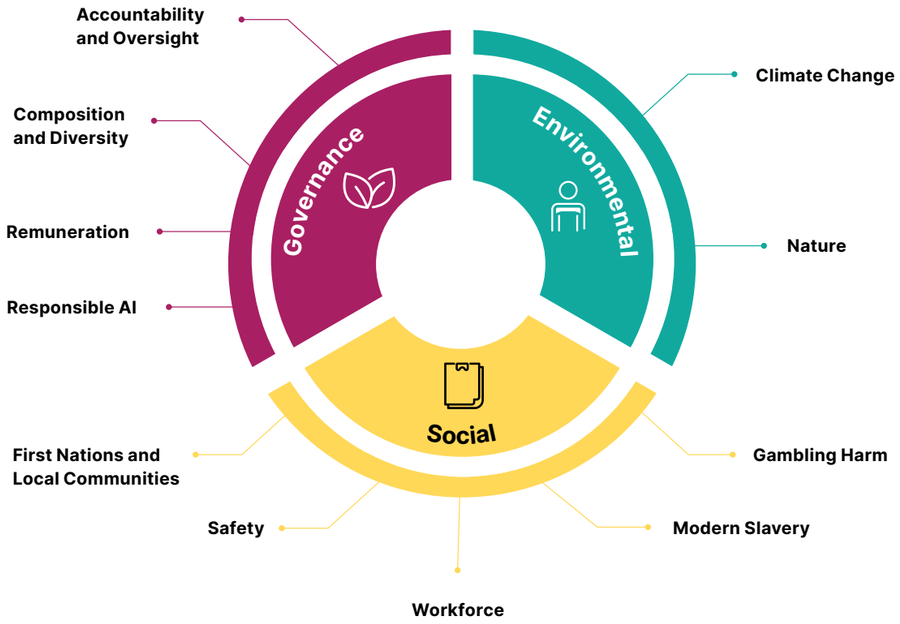
Climate-related engagement in FY26 centred around the release of refreshed climate transition plans, annual progress updates against climate targets and a handful of climate-related shareholder resolutions.

Biodiversity and nature

Global ecosystems are essential to economic growth and human health. Biodiversity and nature loss is a systemic risk, yet generally nascent in terms of company attention, management and disclosures. Drivers of nature loss include water consumption, climate change, land use and pollution.

To avoid potentially negative impacts on valuations and credit ratings, companies must first be aware of associated risks and opportunities before they can manage them.

ACSI engages with companies across a range of sectors with material nature dependencies and impacts and is engaging with them to understand what they perceive to be their key nature risks. Cognisant of the significant uplift required by most companies to adopt Taskforce on Nature-related Financial Disclosures (TFND) aligned reporting, ACSI encourages companies to make gradual improvements by disclosing available information, even if high-level or limited in scope.



Governance

Governance issues extend well beyond how boards meet the letter of the law to how they set and guide culture in their organisations, considerations include the composition of board, management teams and workforce, remuneration structures and outcomes, oversight of financial and non-financial risks, capital structure and shareholders' rights.

Strong corporate governance provides a crucial foundation for strategic success and supports a company's ability to effectively manage its governance 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.

Executive remuneration

Executive remuneration is a cornerstone of corporate governance, acting as a vital link between management incentives and long-term shareholder value.

Effective pay structures must balance the retention of talent while only rewarding genuine performance. By integrating rigorous financial and non-financial targets aligned to corporate strategy, boards can incentivise long-term sustainable growth while mitigating excessive risk. ACSI's engagement prioritises this alignment, scrutinising the rigor of performance hurdles, the appropriateness of quantum, and the integrity of the link between pay and performance.

Composition and gender diversity

Companies are likely to be most successful when they harness collective intelligence and approach problems with cognitive diversity. In addition to core skills and experience, company boards should be made up of directors drawing from a range of criteria, including gender, ethnicity and age.

ACSI engages with listed companies to understand their approach to board composition and, when required, secure clear and time-bound commitments to improve composition and diversity.

When ACSI first made board diversity a priority, women held only 15% of ASX200 board seats and many boards were not open to engagement. Today, representation has improved significantly, with the ASX20, ASX50 and ASX100 all averaging 40% or more women on their boards. The ASX200 and ASX300 are following closely at 38% and 37%, respectively.

Responsible AI

AI is being deployed across all sectors and reshaping workforces. How companies govern their use of AI, manage emerging risks and treat their workers in the process bears directly on their reputation, competitive positioning, operational sustainability and long-term returns.

ACSI has conducted research on Responsible AI to examine how AI is being used, risks managed, opportunities pursued, what disclosures investors can reasonably expect from companies and what to do with it. ACSI is speaking with companies to get a clearer picture of what AI means for their operations, workforce and prospects.

ACSI's Governance Guidelines 2026

Efficient and vibrant markets are essential to Australia's economic success, and good governance, transparency and investor protections are the foundations of confidence in listed markets. Governance is a competitive advantage underpinning investor confidence, market integrity and sustainable economic performance.

ACSI's *Governance Guidelines* outline our expectations on corporate governance issues. They articulate the issues we focus on in company engagements and the factors considered when determining voting recommendations. The Guidelines are revised every two years, and the 12th edition was released in January 2026.

Social

Modern Slavery

Companies relying on unethical and unsustainable business practices risk reputational damage, regulatory penalties, and eroded stakeholder trust. Modern slavery can disrupt operations, increase costs, and undermine brand value, long-term shareholder value and financial performance. 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.

ACSI focussed engagement on increasing transparency of risk and mitigation actions, identification of instances of modern slavery and their remediation.

Workforce

Workforce management is financially material. Issues such as culture, turnover, skills, pay equity, safety and AI-related large-scale change can affect productivity, operational resilience, reputation and long-term shareholder value, yet company disclosure on these topics remains inconsistent and difficult to compare. This makes it hard for investors to assess how effectively companies are managing their workforces and the associated risks and opportunities.

ACSI has developed a framework to support a consistent and considered approach on workforce issues. It focusses on decision-useful information across the following six themes: strategy and culture; workforce, composition and culture; skills, development and internal mobility; artificial intelligence; compensation and benefits, and safety and wellbeing. The framework was tested with companies, then shared with ACSI members for their use. It will also be used to support ACSI's ongoing company engagement.

ACSI is a founding member of Investors Against Slavery and Trafficking Asia-Pacific (IAST APAC), an investor-led, multi-stakeholder initiative to engage with companies in the Asia-Pacific region promoting action in finding, fixing and preventing modern slavery in operations and supply chains.

IAST APAC comprises 50 investors with AU$12 trillion in assets under management. ACSI believes greater impact can be achieved working collaboratively across the Asia-Pacific region, drawing on various sources of knowledge and expertise to assess and address modern slavery risk in operations and supply chains.

To read about our engagement priorities, activities and outcomes in depth, download the full Stewardship report.



Voting advice

Voting at company meetings is an important shareholder right, and a means for investors to express a view on company governance and promote long-term performance. ACSI provides members with detailed research and voting recommendations to ensure they are able to exercise their voting rights in an informed manner. In FY25-26, ACSI provided research on 1,952 resolutions across 325 ASX300 shareholder meetings.

Remuneration strikes

Thirty ASX300 companies received remuneration strike votes in FY25-26, excluding James Hardie and Xero: while both received strikes, as foreign-domiciled companies, they technically don't apply.

Investor concerns included poor pay structures, companies waiving performance hurdles, failure to reflect accountability in bonus payouts and misalignment between shareholder experience and bonus outcomes. NRW Holdings maintained its record for the most consecutive strikes in ASX300 history, recording an 8th strike with 73% against, while Chair Michael Arnett narrowly avoided losing his board seat after receiving 49% opposition.

Director elections

Board accountability was in investors' sights after a string of governance failures played out at several ASX300 companies. James Hardie shareholders voted off its Chair and two other directors after its controversial AZEK transaction. Investors also considered events at companies such as Mineral Resources and ASX when directors at those companies, such as Susie Corlett, Denise McComish and Peter Nash, sought re-election on other boards.

ACSI's Gender Diversity Voting Policy sets out our expectation that at a minimum 30% of board positions at ASX-listed companies are to be occupied by women. This year we recommended against six directors on diversity grounds, indicating encouraging improvements: in FY25, we recommended against 18 directors for diversity reasons.

Say on Climate and Shareholder Resolutions

During FY25-26, ACSI provided voting advice on six second-round 'say on climate' proposals at ASX-listed companies: AGL, APA Group, Dyno Nobel, Origin Energy, Sims and South 32. 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.

Twenty-four shareholder proposals were put forward at ASX300 companies in the financial year, including those which touched on climate change, deforestation and nature and biodiversity.

Advocacy

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

Sustainability issues

ACSI submitted its views to a range of consultations in FY25-26 and participated in the forums listed below.

- Treasury Laws Amendment (Financial Reporting System Reform) Bill 2026
- Sustainable investment product labelling - policy design
- Positioning Australia's financial reporting system for the future – draft legislation
- Proposal for a class exemption for sustainability-related collaboration
- Implementing Australia's Strategy for Nature 2024-2030
- Climate-related transition planning guidance – Treasury consultation
- Sustainable investment product labels – Treasury consultation
- Strengthening the Modern Slavery Act
- Economic Reform Roundtable

Associations

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

Governance and Stewardship

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

- Shareholder approval of dilutive acquisitions and changes in admission status
- ASIC report on regulatory simplification

Associations

- ASIC Consultative Panel on Corporate Governance
- ICGN Global Network of Investor Associations
- ICGN Global Stewardship Committee

ACSI also meets 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.



Public policy settings influence listed companies' performance on long-term sustainability issues. To read more about our advocacy work in 2025-26, download our Stewardship report.

Events

ACSI Conference

This year's ACSI Annual Conference at the Sydney Hilton on 17 March was attended by 286 delegates. The day's diverse program of sessions covered global stewardship practices, modern slavery, climate and AI as well as panels featuring the views of asset managers, asset owners and company directors.

Ninety-eight people gathered at the member-only dinner hosted by ACSI on the eve of the Conference.

Feedback from the event was positive, with all sessions rated good to excellent. Notably, the 'Inside the boardroom' directors' panel and the 'Governance in action' panel attracted strong 'Excellent' ratings. Overall event satisfaction was rated 8.5 out of 10.

Trustee Forum

Thirty-five Trustee Directors from 13 member funds attended ACSI's 2026 Trustee Forum in Melbourne on Tuesday 5 May. The Forum featured sessions and speakers on the regulatory environment and the global investment landscape.

Phil Spathis luncheon

Dr. Ruth Shaber discussed the power of inclusive leadership at this long-running governance event to honour ACSI's founding CEO Phil Spathis, with 147 people in attendance.

Seminars and webinars

In 2025-26 we presented two seminars on modern slavery in Sydney and Melbourne, with 98 attendees. Workshops on mental health and diversity were also well attended.

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

















2026 ACSI Annual Conference

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 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/July.

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.

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.

Reporting on ESG risks

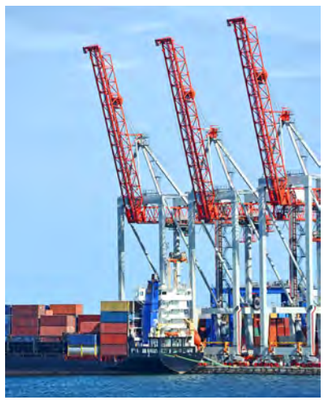
ACSI encourages listed companies to report their ESG risks and opportunities, including on modern slavery and climate change. By also preparing those reports ourselves, we seek to promote better practice reporting across the market.



Climate risk

ACSI supports the Paris Agreement goal of limiting warming to well below 2 °C and pursuing efforts to limit it to 1.5 °C. A planned, orderly and just transition to a low carbon economy is better than a disorderly one, for investors and for workers and communities. We have advocated for economy-wide strategies and Paris-aligned targets to support this transition. We see investor stewardship, through company engagement and policy advocacy, as central to driving an orderly transition to a low carbon economy.

Read our Climate Emissions Statement here.



Modern slavery risk

While ACSI is not required to deliver a modern slavery statement under the MSA, we believe it is beneficial to understand our risks and make this voluntary public statement. ACSI's exposure to modern slavery risk is both reputational and financial, but it is vital to recognise that the real risk is to the workers being exploited and harmed via unscrupulous business practices. We encourage businesses, regardless of size or legal obligation, to assess their exposure to modern slavery.

ACSI undertakes a modern slavery assessment each year, which can be found here.

Measuring our success

Strategic and Business Plans

ACSI operates on a four-year cycle strategic plan period, having recently completed year one of our 2025-2029 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.

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.

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.

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 here and here.

Stewardship reports

Each year we summarise our company engagements, including key topics we discussed and measurements of outcomes in our Stewardship report.

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 a depth of ESG and financial services experience and joined ACSI from a range of backgrounds and disciplines including law, accountancy and journalism. Meet ACSI's staff.

Financial information

Financial statements

The table below is an extract from ACSI's financial statements for the year ended 30 June 2026, 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	2026 ($)	2025 ($)
Revenue from ordinary activities		
Membership subscription fees	6,884,700	6,705,375
Voting alert subscription fees	1,420,503	1,356,214
International engagement service fees	313,377	340,093
Fee for service consulting fees	128,926	32,219
Conference and events	809,321	710,127
Grant income	236,587	-
Interest	439,955	564,445
Other income	773	114
Total revenue from ordinary activities	10,234,142	9,708,587
Expenses from ordinary activities		
Staff cost including superannuation	6,193,704	5,687,081
Finance and office expenses	847,357	954,167
Legal, compliance and consulting expenses	365,183	374,888
Research costs	333,007	279,500
Events and communication	550,559	425,253
Travel expenses	105,617	140,480
Promotion and development costs	6,737	13,138
Voting alert services	1,372,304	1,323,924
International engagement	177,373	195,562
Total expenses from ordinary activities	9,951,841	9,393,993
Profit from ordinary activities before income tax	282,301	314,594
Income tax expense	-	-
Profit from ordinary activities after income tax	282,301	314,594
Other comprehensive income	-	-
Total comprehensive surplus for the period	282,301	314,594

BALANCE SHEET	2026 ($)	2025 ($)
Current assets		
Cash and cash equivalents	7,847,803	9,253,282
Term Deposits	8,600,000	5,100,000
Receivables	84,441	73,123
Prepayments and other assets	637,253	538,515
Total current assets	17,169,497	14,964,920
Non-current assets		
Property, plant & equipment and right-of-use assets	739,776	924,973
Intangible assets	-	-
Total non-current assets	739,776	924,973
Total assets	17,909,273	15,889,893
Current liabilities		
Other payables	990,779	800,617
Employee benefit obligations	1,021,480	938,845
Lease liabilities	173,341	155,135
Income received in advance	7,745,131	6,191,314
Total current liabilities	9,930,731	8,085,911
Non-current liabilities		
Employee benefit obligations	127,580	61,979
Lease liabilities	612,780	786,122
Total non-current liabilities	740,360	848,101
Total liabilities	10,671,091	8,934,012
Net assets	**7,238,182**	**6,955,881**
Equity		
Reserves	5,100,000	5,100,000
Retained earnings	2,138,182	1,855,881
Total equity	**7,238,182**	**6,955,881**

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, expected behaviours and organisational values.
- 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. Key Management Personal (KMP) remuneration can be found in the financial statements here.

ACSI Members as at 30 June 2026



Australian Council of Superannuation Investors

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Sydney NSW 2000

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