



# RI TRANSPARENCY REPORT

2020

Australian Council of Superannuation  
Investors (ACSI)

## About this report

This report is an export of the individual Signatory organisation responses to the PRI Service Provider Reporting Framework during the 2020 reporting period. It shows your responses to mandatory indicators, as well as responses to voluntary indicators that your organisation has agreed to make public. You will be able to access the public RI Transparency report of your organisation and that of other signatories on the [PRI website](#).

The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is an **Index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Index

The Index summarises the response status for the individual indicators and modules. It can be used by stakeholders as an 'at a glance' summary of reported information and to identify particular themes or areas of interest.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator.
🔍	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

# Index

Organisational Overview			
Indicator	Short description	Status	Disclosure
OO 01	Basic information	✓	Public
OO 02	Reporting year	✓	Public
OO 03	Signatory category and services	✓	Public
OO 04	Other offerings/business activities	🔒	n/a
OO 05	Breakdown of ESG coverage	✓	Asset mix disclosed in OO 06
OO End		✓	-

Strategy and Governance			
Indicator	Short description	Status	Disclosure
SG 01	Responsible investment policy	✓	Public
SG 02	Norms used to develop policies	✓	Public
SG 03	Policy offerings to clients	✓	Public
SG 04	ESG/RI in business offerings	✓	Public
SG 05	Outsourcing of services	✓	Private
SG 06	Providing training/education	✓	Public
SG 07	Applying, advancing and promoting the PRI principles	✓	Public
SG 08	Actions taken to promote responsible investment	✓	Public
SG 09	Long term trends	✓	Public
SG 10	Interaction with asset owners	✓	Public
SG 11	Aligning approach with investor goals	✓	Public
SG 12	ESG recommendations not aligned with investor goals	✓	Public
SG 13	Seeking feedback from clients	✓	Public
SG 14	Managing conflicts of interest	✓	Public
SG End		✓	-

## Active Ownership Services

Indicator	Short description	Status	Disclosure
AOS 01	Engagement and/or voting offerings	✓	Public
AOS 02	Acquiring ESG data and information	✓	Public
AOS 03	Identifying emerging ESG issues	✓	Private
AOS 04	Prioritizing engagement topics	✓	Public
AOS 05	Channels of engagement	✓	Public
AOS 06	Accessing the appropriate teams when engaging with companies	✓	Public
AOS 07	Monitoring engagements	✓	Public
AOS 08	Defining and measuring success	✓	Public
AOS 09	Companies changing practices/behavior following engagement	✓	Private
AOS 10	Engaging with policy makers and industry bodies	✓	Private
AOS 11	ESG in voting recommendations	✓	Public
AOS 12	Raising concerns with companies ahead of voting	✓	Private
AOS 13	Voting against management	✓	Public
AOS 14	Monitoring voting outcomes	✓	Public
AOS 15	Mechanisms for clients to review voting recommendations	✓	Public
AOS 16	Involvement in projects to improve voting trail and obtaining confirmation	✓	Public
AOS 17	Sharing ESG information on companies with clients	✓	Public
AOS End		✓	-

## Investment Consultancy

Indicator	Short description	Status	Disclosure
IC 01	Advisory and consultancy services	✓	Public
IC 02	Assets under advisement	✓	Private
IC 03	Fiduciary manager services	✓	Public
IC 04	ESG in contracts with clients	✓	Private
IC 05	Custodian services	🔒	n/a
IC 06	RI and ESG in clients' investment policy development	✓	Public
IC 07	ESG incorporation into strategic asset allocation	🔒	n/a
IC 08	Scenario analysis and/or modelling	🔒	n/a
IC 09	Demonstrating value on asset allocation	🔒	n/a
IC 10	Investment research activities	🔒	n/a
IC 11	Demonstrating value on investment research	🔒	n/a
IC 12	ESG in manager selection, appointment and monitoring	🔒	n/a
IC 13	Manager selection activities	🔒	n/a
IC 14	Incorporating asset owners' investment principles in selection of manager	🔒	n/a
IC 15	ESG in selection due diligence	🔒	n/a
IC 16	Monitoring investment managers on ESG	🔒	n/a
IC 17	Reporting back to asset owners	🔒	n/a
IC 18	Demonstrating value on manager selection, appointment and monitoring	🔒	n/a
IC 19	ESG in manager selection, appointment and monitoring	-	n/a
IC End		✓	-

## Research and Data Provision

Indicator	Short description	Status	Disclosure
RDP 01	Product type	✓	Public
RDP 02	Sources for research and/or rating	✓	Public
RDP 03	Stakeholder input	✓	n/a
RDP 04	Up-to-date assessment and ratings	✓	Public
RDP 05	Balanced research and assessment	✓	Public
RDP 06	Consistency and comparability	✓	Public
RDP 07	Emerging ESG issues and trends	✓	Private
RDP 08	Client use of outputs	✓	Public
RDP 09		✓	Private
RDP End		✓	-

## Confidence building measures

Indicator	Short description	Status	Disclosure
CM1 01	Other product offerings, processes and/or activities	✓	Private
CM1 02	Assurance of responses	✓	Private
CM1 End	Module confirmation page	✓	-

# Australian Council of Superannuation Investors (ACSI)

## Reported Information

### Public version

### Organisational Overview

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Basic Information

OO 01	Mandatory	Public	Descriptive
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OO 01.1 Select the location of your organisation's headquarters.

Australia

OO 01.2 Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2 - 5
- 6 - 10
- 11 - 50
- >50

OO 01.3 Indicate the regions where you have offices.

- Africa/Middle East
- Asia (excluding Japan & Korea)
- Australasia
- Canada
- Continental Europe
- Japan & Korea
- Nordic
- South America
- UK & Ireland
- US

OO 01.4 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

13

## Reporting Year

OO 02	Mandatory	Public	Descriptive
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OO 02.1 Indicate the year end date for your reporting year.

31/12/2019

## Signatory category and services

OO 03

Mandatory

Public

Gateway

OO 03.1

Indicate which of the following categories reflect your core offering or main business activity:

- Reporting
- Active Ownership Services
- Investment consultancy
- Research and Data Provision
- Other, specify (1)
- Other, specify(2)

OO 03.2

Indicate any other business activities that your organisation offers. Indicate whether you wish to report on these business areas.

- Reporting
- Other, specify (3)
- Other, specify (4)
- None of the above



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### Strategy and Governance

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## Policy on ESG beliefs

SG 01

Mandatory

Public

Gateway

SG 01.1

Describe how your organisation's philosophy incorporates environmental, social and governance factors, and the link to your business offerings.

The Australian Council of Superannuation Investors (ACSI) is a collaboration of Australian and international asset owners who work collectively to address ESG risks and opportunities in the ASX300. ACSI believes ESG investment risks and opportunities are financially material for long-term oriented investors, ACSI therefore works with our member funds to help protect and manage their investments for the long-term through the consideration of environmental, social and corporate governance (ESG) risks in their investment decision-making processes.

This is done via a multifaceted approach through thematic and longitudinal research, policy advocacy, company engagement and proxy voting. ACSI provides research on material ESG issues which supports our advocacy, engagement and voting programs. This includes long-running research into Executive Pay in the ASX200 and Sustainability Reporting Practices of the ASX200. All of ACSI's research reports can be found here: <https://acsi.org.au/research-reports/>

ACSI believes the formal and informal ownership rights that accrue to investors (in particular, voting rights and the ability to engage with investee companies) have genuine economic value, and their exercise can materially improve investment outcomes. Long-term investors, therefore, have a responsibility to exercise these ownership rights judiciously as part of their stewardship of assets on their beneficiaries' behalfs.

ACSI's engagement program seeks to influence companies through constructive engagement with their boards about material ESG issues, with the aim of promoting long-term shareholder value and minimising risk. This feeds into ACSI's Australian Voting Alert Service (AVAS) where ACSI gives voting recommendations to members to help them exercise their shareholder rights and manage corporate governance risks in the companies in which they invest.

ACSI's Governance Guidelines and ESG Reporting Guide for Australian Companies can be found here: <https://acsi.org.au/publications/governance-guidelines/>

SG 01.2

Indicate whether you have policies that formalise the incorporation of your ESG beliefs in your business offerings.

Yes

SG 01.3

Indicate the components/types of your internal policy and provide the URL and/or an attachment of the document/s if they are publicly available.

### Policy components/types

Policy setting out your overall ESG/RI approach

Public availability

URL

URL

<https://acsi.org.au/publications/governance-guidelines/>

- Attachment
- Not publicly available
- Formalised guidelines on environmental factors

Public availability

URL

URL

<https://acsi.org.au/publications/governance-guidelines/>

- Attachment
- Not publicly available
- Formalised guidelines on social factors

Public availability

URL

URL

<https://acsi.org.au/publications/governance-guidelines/>

- Attachment
- Not publicly available
- Formalised guidelines on corporate governance factors

Public availability

URL

URL

<https://acsi.org.au/publications/governance-guidelines/>

- Attachment
- Not publicly available
- Formalised guidelines on engagement approach

Public availability

- URL
- Attachment
- Not publicly available
- Formalised guidelines on (proxy) voting approach

Public availability

- URL

URL

<https://acsi.org.au/publications/governance-guidelines/>

- Attachment
- Not publicly available
- Other, specify (1)
- Other, specify (2)
- None of the above

**SG 01.4** Indicate how these are put into practice internally across the organisation.

- Regular employee training on RI/ESG
- Regular RI/ESG policy awareness building for employees
- Establishment of policy review committee/team
- Remuneration linked to achieving ESG objectives
- Annual performance incentives
- Other, specify (1)

Informs ACSI's engagement and voting programs

- Other, specify (2)
- Other, specify (3)

No

**SG 01.5** Additional information [OPTIONAL]

ACSI's Governance Guidelines and ESG Reporting Guide for Australian Companies informs our company engagement program and proxy voting.

The documents can be found here: <https://acsi.org.au/publications/governance-guidelines/>

<b>SG 02</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>
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**SG 02.1**

Indicate what frameworks and guidelines you have used to develop your organisation's policies. Tick all that apply.

- UN Principles for Responsible Investment
- UN Global Compact Principles
- UN Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights
- UN Sustainable Development Goals
- International Bill of Human Rights
- International Labour Organisation Conventions
- IFC Performance Standards
- United Nations Convention Against Corruption
- OECD Principles of Corporate Governance
- OECD Guidelines for Multinational Enterprises
- GRI standards
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

**SG 03****Mandatory****Public****Descriptive****SG 03.1**

Indicate whether you offer standard, off the shelf, policies to clients as part of your product offerings, and/or whether you create tailored versions for individual clients.

	Off the shelf	Tailored
Asset class-specific RI guidelines	<input type="checkbox"/>	<input type="checkbox"/>
Sector-specific RI guidelines	<input type="checkbox"/>	<input type="checkbox"/>
Screening/exclusions policy	<input type="checkbox"/>	<input type="checkbox"/>
Engagement policy	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(Proxy) voting policy	<input checked="" type="checkbox"/>	<input type="checkbox"/>
RI guidelines set out within the Investment Policy Statement (IPS)	<input type="checkbox"/>	<input type="checkbox"/>
RI guidelines set out in a freestanding RI policy	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Multi-year RI implementation project plan	<input type="checkbox"/>	<input type="checkbox"/>
Conflict of interest management policy	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Stockbroker allocation policy	<input type="checkbox"/>	<input type="checkbox"/>
Securities lending policy	<input type="checkbox"/>	<input type="checkbox"/>
Other, please specify (1)	<input type="checkbox"/>	<input type="checkbox"/>
Other, please specify (2)	<input type="checkbox"/>	<input type="checkbox"/>
Other, please specify (3)	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

**SG 03.2**

Provide a brief description of the key elements, any variations, or exceptions applying to these policies.

ACSI's core business activity is providing research, advocacy, company engagement and proxy voting recommendations on ESG risks and opportunities in the ASX300, therefore, ESG factors and RI-considerations are incorporated into all of the services we provide our members.

**SG 04**

**Mandatory**

**Public**

**Descriptive**

**SG 04.1**

Briefly describe how you include ESG/RI factors as part of your business offerings.

**Business area**

## Active Ownership Services

### How you include ESG/RI factors

ACSI members, as long-term investors, have a responsibility to be active stewards of assets on their beneficiaries' behalfs and ACSI assists funds to exercise this responsibility of active ownership and stewardship within the ASX300 through company engagement, proxy voting analysis, research and advocacy. We assist members exercising their ownership rights through voting and the ability to engage with investee companies, alongside longitudinal and bespoke research on ESG themes.

Our engagement program is done through active engagement with ASX300 boards about material ESG issues, with the aim of promoting long term shareholder value and minimising risk. Additionally, ACSI's Australian Voting Alert Service (AVAS) provides recommendations for proxy voting on ASX300 companies to our member funds. This is interlinked with the company engagement and research programs which feed into ACSI's voting recommendations to help members exercise their ownership rights and manage corporate governance risks in the companies in which they invest.

ACSI's Governance Guidelines and ESG Reporting Guide for Australian Companies can be found here: <https://acsi.org.au/publications/governance-guidelines/>

## Investment Consultancy

### How you include ESG/RI factors

ACSI works with funds to develop policies and strategies which meet their needs, whatever their size, investment approach and resourcing. Examples may include:

- ESG workshops
- ESG Policy
- ESG strategy development
- Climate Change Policy
- Voting Policy
- Stewardship Strategy
- ESG and investment research
- ESG and stewardship member communications
- Annual ESG program monitoring and evaluation

We can also assist funds evaluate the effectiveness of their existing approach, including manager evaluations, ESG data or service provider analysis. Our approach is highly collaborative, and we work closely with the fund to determine its needs.

## Research and Data Provision

### How you include ESG/RI factors

ACSI provides research and data on material ESG issues which supports our advocacy, engagement and voting programs. This includes long-running thematic research into Executive Pay in the ASX200 and Sustainability Reporting Practices of the ASX200 as well as individual company reports as part of our AVAS proxy voting service. The research and data analysis helps develop ACSI's priority company engagements and research papers.

Alongside longitudinal research papers, ACSI does focused research on topical issues like climate change transition risks, culture, safety, and capital raising practices.

All of ACSI's research reports can be found here: <https://acsi.org.au/research-reports/>

**SG 04.2**

Indicate the roles in your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for ESG/RI within the organisation.

<b>Roles present in your organisation</b>	<b>Oversight/accountability for ESG/RI</b>	<b>Implementation of ESG/RI</b>
Board	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Directors	<input type="checkbox"/>	<input type="checkbox"/>
Chief Executive Officer (CEO), Chief Financial Officer (CFO)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Chief Operating Officer (COO), Chief Information Officer (CIO)	<input type="checkbox"/>	<input type="checkbox"/>
Other chief-level staff	<input type="checkbox"/>	<input type="checkbox"/>
Other heads of department	<input checked="" type="checkbox"/> <div style="background-color: #0070C0; color: white; padding: 2px; text-align: center;">Please specify</div> Executive Management level	<input checked="" type="checkbox"/> <div style="background-color: #0070C0; color: white; padding: 2px; text-align: center;">Please specify</div> Executive Management level
Dedicated ESG/RI staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other role, specify (1)	<input type="checkbox"/>	<input type="checkbox"/>
Other role, specify (2)	<input type="checkbox"/>	<input type="checkbox"/>
Other role, specify (3)	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>



**SG 04.3**

Indicate how you ensure ESG/RI expertise for the roles where there are RI oversight/accountability or implementation responsibilities.

- Staff training on ESG/RI incorporation
- Including ESG/RI knowledge factors in personal development goals
- Having development plans that aim to enhance ESG/RI knowledge of certain departments/teams/individuals
- Including ESG in selection requirements when hiring new employees
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- Other, specify (4)

**SG 04.4**

Indicate whether your organisation has any ESG/RI linked incentives for its employees.

- Yes
- No
- Not applicable, we ensure that employees incorporate ESG/RI into services through other mechanisms.

**SG 06****Mandatory****Public****Descriptive****SG 06.1**

Indicate whether you provide training/educational services on ESG/RI. Tick all that apply.

- Board/trustee training
- Investment manager training
- Regulatory bodies/authorities or public policy makers
- Corporate executive training
- ESG analyst training
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- Other, specify (4)
- None of the above

**SG 06.2**

Describe the main components of your training/educational services on ESG/RI and any variations depending on the group you provide training/education to.

Each year ACSI hosts multiple educational seminars and an annual conference addressing current and long-term ESG issues. These do not form formal training or form part of any certification.

ACSI's educational seminars and conference have a broad audience and are targeted towards a diverse audience in financial services including investment managers, governance specialists, investment analysts, listed company board members and pension/superannuation fund trustees.

**SG 06.3**

Describe whether these training/educational services include any commercial elements.

The ACSI Conference has sponsors but they form no part of the program. Otherwise, there are no commercial elements to these services.

SG 07	Mandatory	Public	Descriptive
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<b>SG 07.1</b>	Describe how your organisation applies, advances and promotes the PRI Principles.
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ACSI has been a signatory to the United Nations-backed Principles for Responsible Investment (PRI) since October 2006, and is an active participant in the PRI's global and regional activities.

ACSI encourages our members to sign up to the PRI, and we assist them in implementing the Principles, where consistent with their fiduciary responsibilities.

Our services include:

- Assisting members to incorporate ESG issues into investment analysis and decision-making processes
- Assisting members to be active owners and incorporate ESG issues into our ownership policies and practices
- Encouraging appropriate disclosure on ESG issues by S&P/ASX 200 companies in which our members invest
- Promoting acceptance and implementation of the Principles within the investment industry
- Working together to enhance our effectiveness in implementing the Principles
- Assisting members to report on their activities and progress towards implementing the Principles.

SG 08	Mandatory	Public	
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<b>SG 08.1</b>	Indicate which of the following actions your organisation has taken to promote responsible investments during the reporting year, independently of collaborative initiatives.
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- Provided or supported education or training programmes for clients, investment managers, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoken publicly at events and conferences to promote responsible investment
- Written and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Written and published articles on responsible investment in the media
- Policy engagements and other interactions
- Other, specify
- None of the above

SG 09	Mandatory	Public	Descriptive
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<b>SG 09.1</b>	Indicate which of the following long-term trends are addressed in your product outputs.
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- Changing demographics

**SG 09.2**

Explain how this long-term trend affects your product outputs.

Changing demographics is a front-of-mind issue for ACSI's members, being in the superannuation industry, and ACSI is an active contributor to the conversation on how to manage the risks in demographic shifts. ACSI raises demographic change in the context of discussions about company strategy in our engagement program.

Climate change

**SG 09.2**

Explain how this long-term trend affects your product outputs.

ACSI considers climate change as a long-term financial risk and opportunity, for both our member funds and the ASX300 companies with which we engage on their behalf. ACSI actively seeks climate change risk integration by ASX300 companies, and has been engaging with companies in the energy, resources, transport, insurance and banking sectors on their behalf over the last three years and more broadly in the ASX300. ACSI is encouraging those companies to incorporate consideration of climate change risks and opportunities into their business, as well as adopting the Task Force on Climate-related Financial Disclosure framework and discussion of their policies and activities as they relate to climate change. Additionally, ACSI provides research papers on climate related disclosure in the ASX200 and began in 2019 a transition risk paper which will be available in early 2020.

Resource scarcity

**SG 09.2**

Explain how this long-term trend affects your product outputs.

ACSI considers issues such as resource scarcity as an interlinked long-term risk with climate change, and engages with relevant companies in the ASX300 on behalf of members. Similar to ACSI's climate change agenda, ACSI has been engaging with larger domestic listed companies in the energy, resources, transport, insurance and banking sectors for a number of years on the topic.

Technology developments

**SG 09.2**

Explain how this long-term trend affects your product outputs.

Technology developments and its effect on employees within listed companies is an emerging issue that ACSI is keenly aware of and looking to engage listed companies on. ACSI is currently undertaking analysis on human capital risks in the ASX200 - this includes issues like changing workforces from technology developments and automation, training and re-training, turnover and staff engagement and mental health and transition programs. Additionally, ACSI has a formal engagement program for 'Just Transitions' for coal companies which involved engaging those companies on how they are managing the transition for employees and communities.

Other, specify (1)

Other, specify (2)

None of the above

**SG 10****Mandatory****Public****SG 10.1**

Indicate whether you interact with asset owner clients.

Yes, we do

**SG 10.2**

Indicate the typical frequency and type of interactions with your asset owner clients.

**Type of interaction** Board of trustee meetings

## Frequency

- Daily
- Weekly
- Monthly
- Quarterly
- Bi-annually
- Annually
- Ad-hoc basis
- Other, specify

 Investment committee meetings

## Frequency

- Daily
- Weekly
- Monthly
- Quarterly
- Bi-annually
- Annually
- Ad-hoc basis
- Other, specify

 Trustee training workshops

## Frequency

- Daily
- Weekly
- Monthly
- Quarterly
- Bi-annually
- Annually
- Ad-hoc basis
- Other, specify

 Formal regular meetings outside of committee meetings

Frequency
-----------

- Daily
  - Weekly
  - Monthly
  - Quarterly
  - Bi-annually
  - Annually
  - Ad-hoc basis
  - Other, specify
- Informal meetings or calls

Frequency
-----------

- Daily
  - Weekly
  - Monthly
  - Quarterly
  - Bi-annually
  - Annually
  - Ad-hoc basis
  - Other, specify
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- No, we do not

SG 11	Mandatory	Public	Descriptive
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SG 11.1	Describe how you typically align your organisation's philosophy and approach to ESG/RI with your investor clients' goals.
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- Describe
- ACSI is aligned through our membership and governance structure. Our members are all asset owner investors (or in some cases entities wholly owned/controlled by asset owners). This means that our governance structure and strategic direction comes exclusively from asset owner investors. ACSI is a not-for-profit entity and has no other shareholders or groups with explicit power to guide our strategy. So our members dominate all our key decision-making groups (namely our Board and Member Council), and thus ensure strong alignment between ACSI's philosophy and investor goals.
- Refer to indicator 11.2 for the actions to align ACSI's philosophy and approach to ESG with our members' goals.
- This is not relevant for my organisation

SG 11.2	Additional information. [OPTIONAL]
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ACSI provides services in the following areas:

**Active ownership**

ACSI assists funds to exercise their responsibility of active ownership and stewardship of their ASX300 holdings through company engagement, proxy voting analysis and advice.

Providing Governance Guidelines on governance issues such as board independence, gender diversity and remuneration assists members to be active owners and incorporate ESG issues into their ownership policies and practices. The Guidelines also detail the reasonable expectations of asset owners for governance standards that should be adopted by listed investee companies.

ACSI Governance Guidelines: <https://acsi.org.au/images/stories/ACSIDocuments/ACSI-Governance-Guidelines.Nov17.pdf>

**Enhance sustainable long-term value for retirement savings**

ACSI assists members to incorporate ESG issues into investment decision-making by providing thematic research and ASX300 company engagement and analysis on ESG risks.

**Work in the best interests of long-term fiduciary asset owners and their beneficiaries**

ACSI engages with policy makers through advocacy and through policy submissions to government to better align the operation of the financial system with the financial interests of our members (as long-term fiduciary asset owners) and their beneficiaries, which typically span many decades.

ACSI policy submissions: <https://acsi.org.au/publications-1/policy-submissions.html>

**Encourage responsible investment**

By identifying ESG risks and opportunities in the ASX300 through longitudinal and thematic research, company engagement and proxy voting.

SG 12	Mandatory	Public	Descriptive
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SG 12.1	Describe what steps you take, if any, when your ESG recommendations are not in line with your investor clients' goals.
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- Describe
- This is not relevant for my organisation

SG 12.2	Additional information. [OPTIONAL]
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ACSI's ESG approach is overseen by our Member Council, in consultation with Management. Its members actively contribute and set the goals and direction ACSI takes - therefore eliminating the issue of values and goals misalignment. In regards to ACSI's proxy-voting recommendations, members can choose not to follow them depending on their internal goals.

Refer to SG 11.1 regarding ACSI's structure for more information.

SG 13	Mandatory	Public	Descriptive
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SG 13.1	Indicate whether you seek feedback from clients on your RI/ESG services and product offerings
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- Yes

SG 13.2	Describe how you use this feedback in your RI/ESG services and product offerings.
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ACSI's engagement and research is driven by representatives of our member funds through our Member Council. This body sets ACSI's strategy, objectives, research topics and engagement priorities, and so is able to change the services ACSI provides.

ACSI also encourages members to participate in a review of its Guidelines every two years to ensure they are still relevant and appropriate to member aims.

No

<b>SG 14</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>
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<b>SG 14.1</b>	Indicate whether your organisation has a policy for managing potential conflicts of interest.
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Yes

<b>SG 14.2</b>	Describe how you manage potential conflicts of interest.
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ACSI has formal policies to deal with potential conflicts of interest. Our Code of Conduct is publicly disclosed at: <https://acsi.org.au/about/corporate-documents/>

<b>SG 14.3</b>	Describe how you ensure that company employees do not derive any personal gain from the use of information collected during your work process.
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ACSI has a Staff Securities Trading Policy which deals with inside trading for its employees and their close associates. Employees are prohibited from trading in securities of any entity covered by ACSI's voting research during designated blackout periods. There are also restrictions in employees' ability to participate in work relating to companies where they have a personal interest.

No

# Australian Council of Superannuation Investors (ACSI)

## Reported Information

### Public version

### Active Ownership Services

## PRI disclaimer

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## Active ownership services

AOS 01	Mandatory	Public	Gateway
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**AOS 01.1** Indicate which active ownership services are part of your business offerings. Tick all that apply.

- Engagement
- Voting

**AOS 01.2** Indicate which markets your organisation covers.

- Developed markets
- Emerging markets

AOS 02	Mandatory	Public	Descriptive
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**AOS 02.1** Indicate where you acquire your ESG data and information.

- Regulatory sources
- Information from stakeholders and NGOs
- In-person meetings or calls with company, industry, municipality or government representatives
- Media reporting (including social media, blogs and similar)
- Primary data (self-reported from companies or other organisations)
- Secondary data (from ESG research provider databases)
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

**AOS 02.2** Describe how this information is used in your product/service offerings.

ACSI uses a range of company-disclosed and independently-sourced information to create comprehensive analysis and research for our members. ACSI also analyses and commissions information from third-party providers, arranges company engagements, and uses that information to inform its proxy voting, engagement and research projects.

## Engagement

AOS 04	Mandatory	Public	Descriptive
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**AOS 04.1** Describe how you select priority engagement topics to raise with companies and how you involve your clients in this process.

ACSI's engagement program seeks to influence companies through constructive engagement with ASX300 boards about material ESG issues. For 2019, ACSI had six priority engagement themes; gender diversity, corporate governance, Banking and Aged Care Royal Commissions, conduct, climate change and workforce (LHR, safety, human capital management). This consisted of 150 companies in the

ASX300 index. The issues are drawn from a range of sources, based on a significant amount of internal and external research, proxy voting outcomes and current issues. ACSI then further prioritises companies by taking into account the holdings of our members, focusing on the largest aggregate member holdings. For engagement, ACSI creates a list of priority engagement companies which is reviewed annually, with progress monitored and evaluated semi-annually.

**AOS 04.2** Describe how you define the objectives and milestones of the engagements and how you involve your clients in this process.

ACSI annually creates a list of engagement priority companies with specifically defined concerns and objectives for each company. ACSI's objectives are to achieve meaningful changes in company behaviour. ACSI also sets objectives for the proportion of all priority companies where objective are met: we aim for over 75% of all priority companies' objectives to be met or partially resolved.

This process is overseen by a Member Council, in consultation with Management. ACSI members actively contribute and set the goals and direction that ACSI takes.

<b>AOS 05</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>
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**AOS 05.1** Indicate what channels you use to engage. Tick all that apply and indicate the frequency with which you typically use the channels.

**Engagement type**

- Letters and e-mails

**Frequency**

- In minority of cases
- In majority of cases
- In all cases

- Meetings and/or calls with board/senior management

**Frequency**

- In minority of cases
- In majority of cases
- In all cases

- Meetings and/or calls with the CSR, IR or other management

**Frequency**

- In minority of cases
- In majority of cases
- In all cases

- Visits to operations
- Visits to supplier(s) from the company's supply chain
- Other (1), specify
- Other (2), specify
- Other (3), specify

**AOS 05.2** Describe your typical execution method.

The way in which ACSI engages with listed companies relies on identification of specific issues, the desired outcome we are seeking from the company, and the actions the company undertakes to address the issues identified. ACSI monitor, follow up and track the company's progress against our defined objectives.

Some examples of what we take into account when prepping for an company engagement include; priority company issues and thematic risks, internal and external research, proxy voting research and outcomes, media & controversies and any company reporting that is publicly available.

**AOS 06**

**Mandatory**

**Public**

**Descriptive**

**AOS 06.1** Indicate from the options below the employee at the companies you typically engage with.

**Employee level**

- Board members

**Frequency**

- In minority of cases
  - In majority of cases
  - In all cases
- Corporate secretary/general counsel
  - CEOs

**Frequency**

- In minority of cases
  - In majority of cases
  - In all cases
- Other C-level staff or heads of departments

**Frequency**

- In minority of cases
  - In majority of cases
  - In all cases
- Investor relations-teams

**Frequency**

- In minority of cases
  - In majority of cases
  - In all cases
- Sustainability/CSR team members

Frequency
-----------

- In minority of cases
- In majority of cases
- In all cases

- Non-management employees
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

<b>AOS 06.2</b>	Describe how you ensure the client’s rationale and engagement objectives are being communicated clearly to the company at the beginning and during the dialogue phase.
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ACSI notifies our members of the upcoming engagements and asks for feedback and participation in both the meetings and on the agenda setting for the meeting.

<b>AOS 06.3</b>	Describe the escalation strategies you take (or suggest that your clients take) when the engagement objectives are not achieved.
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ACSI aims to see all our engagement priority companies achieve meaningful change and set ourselves the objective for over 75% of priority companies objectives to be met or partially resolved in a calendar year.

Depending upon the nature and materiality of an issue and responsiveness of a company to engagement, if required ACSI will recommend next steps to our members and undertake a series of escalation steps. This includes:

- Further engagement with board members and/or chair
- Expressing concerns to alternative company representatives (i.e. management, other non-executive directors)
- Working collectively with asset managers/other asset owners and holding discussions with other equity or bondholders
- Recommending a vote against management on relevant proposals at general meetings (eg: ACSI's women on boards policy: <https://acsi.org.au/our-issues/gender-diversity/>)
- Speaking to regulators, industry bodies and advocating for policy change
- Legal avenues
- Encourage our membership and other industry participants to take up more pro-active stance

This process is reviewed each year, and for areas where we feel there is a lack of progress, we engage with our members on what additional steps they can expect us to take.

<b>AOS 07</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>
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<b>AOS 07.1</b>	Indicate how you monitor the progress of engagements.
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- Define timelines/milestones for your objectives
- Track and/or monitor progress against defined objectives
- Track and/or monitor progress of actions taken when original objectives are not met
- Review and, if necessary, revise objectives on an ongoing basis
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

<b>AOS 07.2</b>	Describe how you typically decide what recommendations for next steps to give to clients.
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Yes, we do provide clients with recommendations for next steps

This is described under indicator AOS 06.3

We do not provide clients with recommendations for next steps

<b>AOS 08</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>
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<b>AOS 08.1</b>	Describe how you define success when evaluating/reviewing engagements on ESG factors.
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Success is when a company modifies its behaviors or practices in a way which meet, all or in part, ACSI's pre-determined objectives for the engagement.

<b>AOS 08.2</b>	Describe how you measure success when evaluating/reviewing these engagements.
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"Success" is measured differently as each priority company has a specific objective set. In areas such as gender diversity at board level, appointment of a woman director – or a firm commitment from the company that one will be appointed – is easily measurable. Where more qualitative changes are sought, such as the setting of policies and greater public disclosure on labour and human rights issue, or how a company is responding to (and reporting on) the challenges of climate change effects on its business, achievement of objectives will often require several meetings and several staged steps towards "best practice". Similarly, changes in remuneration practices often require a longer time horizon because of the wider-ranging effect of altering structures.

Depending on the issue, timelines for companies vary. For example, for some board and governance issues ACSI would expect to see a level of change or a plan for change within the year in which we are engaging with the company, but for other issues like climate risk and the adoption of 'best practice' frameworks, we would expect this transition to happen over a number of years.

## Voting

<b>AOS 11</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>
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<b>AOS 11.1</b>	Describe how ESG factors are taken into consideration in voting recommendations.
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Environmental, social and governance factors all underpin ACSI's proxy voting recommendations. ESG considerations feed into voting recommendations through internal and external research, previous years' voting outcomes, controversies and through ACSI's priority issues which include; labour and human rights in supply chains, corporate governance issues, remuneration issues, climate change and board diversity.

Regarding shareholder resolutions specifically on ESG matters, ACSI will generally favour those proposals that result in the disclosure of information that is useful to shareholders and not overly prejudicial to their commercial interests. A judgment on each proposal will be based on what is in the best interest of shareholders, and a thorough assessment of any potential impacts on the company.

<b>AOS 13</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>
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<b>AOS 13.1</b>	Indicate the proportion of votes where you have communicated the rationale to companies when you, on behalf of your clients, abstain or vote against management proposals.
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- 100%
- 99-75%
- 74-50%
- 49-25%
- 24-1%
- We do not communicate the rationale to companies
- Not applicable because we do not abstain or vote against management recommendations

<b>AOS 13.3</b>	Additional information [OPTIONAL]
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ACSI generally meets with the company around the time of their AGM and writes to each company where there was an 'against' recommendation expressing the rationale for the vote.

Companies where there are more material concerns become corporate governance engagement priorities and ACSI will continue to hold face-to-face meetings with the company seeking a change to its practices.

ACSI provides a (free) copy of our voting recommendations to all companies on a confidential basis.

<b>AOS 14</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>
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<b>AOS 14.1</b>	Describe how you monitor voting outcomes.
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ACSI monitors the outcomes and keeps a record of all the resolutions for ASX300 companies each year.

Generally, these outcomes are grouped by key topics or ESG issues, such as remuneration or board diversity, and assessed against ACSI's objectives in these categories which could include ensuring for example, the alignment of executive and shareholder interests and improving gender diversity on ASX300 boards.

<b>AOS 14.2</b>	Describe how you typically decide what recommendations for next steps to give to clients.
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- Yes, we do provide recommendations for next steps

Depending upon the nature and materiality of an issue and responsiveness of a company to engagement, if required ACSI will recommend next steps to our members and undertake a series of escalation steps before and post-AGM.

Generally, where ACSI recommends a vote in opposition to the board, depending on the materiality, the company may be put onto ACSI's engagement priority list for the following year and we also encourage our membership and other industry participants to take a more pro-active stance.

Other next step that ACSI may recommend include:

- Further engagement with board members and/or chair
- Expressing concerns to alternative company representatives (i.e. management, other non-executive directors)
- Working collectively with asset managers/other asset owners and holding discussions with other equity or bondholders
- Speaking to regulators, industry bodies and advocating for policy change
- Legal avenues
- Public dialogue and media

We do not provide recommendations for next steps

AOS 15	Mandatory	Public	
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AOS 15.1	Indicate whether you have formal mechanisms in place for clients to review your voting recommendations.
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Yes

AOS 15.2	Describe the formal mechanisms you have in place if clients wish to review your voting recommendation and/or give voting instructions different from your recommendations.
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ACSI provides voting recommendations to AVAS subscribers for the ASX300 to review the votes and the rationale behind the vote. ACSI does not vote on behalf of its members and members can choose not to follow them depending on their internal goals. Individual members will often seek further discussion and clarification with ACSI on specific voting recommendations, particularly if they are in receipt of alternative reviews from other proxy voting services or investment managers.

No

AOS 16	Mandatory	Public	Descriptive
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AOS 16.1	Describe your involvement in any project to improve the voting trail and/or to obtain vote confirmation for your clients.
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Yes, we are involved in projects to improve the voting trail and/or to obtain vote confirmation for our clients

ACSI continues to monitor and talk to regulators about improving the voting process and has participated in discussions about administrative complexities, costs, potential failures and improvements that can be made to strengthen the voting trail and vote confirmation.

The evidence base for the advocacy work ACSI does on this topic is a research project in 2012 titled 'Institutional Proxy Voting in Australia'.

Voting by a show of hands is another current focus of ACSI. We are part of the ASX Corporate Governance Council, which recently released new Principles and Recommendations including 6.4: "A listed entity should ensure that all substantive resolutions at a meeting of security holders are divided by a poll rather than by a show of hands." ACSI actively supported this change through our submission and Council membership.

Not applicable

## Communication and sharing ESG information

AOS 17	Mandatory	Public	Descriptive
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AOS 17.1	Indicate whether you proactively disclose your engagement and/or voting outcomes to clients and the public.
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	Engagement
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### Clients

- Disclosed quarterly or more frequently
- Disclosed biannually
- Disclosed annually
- Disclosed less frequently than annually
- Disclosed ad hoc/when requested

### Public

- Disclosed quarterly or more frequently
- Disclosed biannually
- Disclosed annually
- Disclosed less frequently than annually
- Disclosed ad hoc/when requested

### Voting

#### Clients

- Continuously (soon after votes are cast)
- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc/as requested

#### Public

- Continuously (soon after votes are cast)
- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc/as requested



**AOS 17.2**

Indicate how you ensure all ESG information on companies gained as a result of engagement and/or voting activities is shared with clients.

 Engagement

- We proactively ensure that all ESG information is made available.
- We share all ESG information upon request.
- We do not make any additional ESG information available.

 Voting

- We proactively ensure that all ESG information is made available.
- We share all ESG information upon request.
- We do not make any additional ESG information available.

**AOS 17.3**

Additional information [OPTIONAL]

ACSI has a formal quarterly reporting process on our engagement activities and outcomes and ad hoc informal updates throughout the year. For voting activities and outcomes, ACSI reports to our members on a semi-annual basis. On issues considered to be time critical, ACSI disseminates information to members either via written communications or face-to-face briefings.

As ACSI does not vote on behalf of members we do not disclose voting outcomes publicly, however, our members do disclose engagement and voting outcomes publicly in their annual reports and websites.

# Australian Council of Superannuation Investors (ACSI)

## Reported Information

### Public version

### Investment Consultancy

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## Investment Consultancy

IC 01

Mandatory

Public

Gateway

IC 01.1

Indicate whether your services include any of the following.

- Custodial services
- Investment policy development
- Strategic asset allocation
- Investment research
- Manager selection and monitoring
- Other, specify (1)
- Other, specify (2)

IC 01.2

Describe how you ensure that your clients understand your service offerings and fee structure.

All ACSI members are made aware of service offerings and overall approach to fees. (As a not-for-profit association, our consulting work is on a cost-recovery basis.) We work with individual members to understand their needs and present bespoke proposals with fees for each member based on the work to be undertaken.

IC 03

Mandatory

Public

IC 03.1

Indicate whether you provide fiduciary management services.

- Yes, we do
- No, we do not

## Investment policy development

IC 06

Mandatory

Public

Descriptive

IC 06.1

Indicate whether you incorporate ESG into your investment policy development services.

- Yes, we systematically do
- Yes, we occasionally do
- No, we do not. Plans exist to start incorporating ESG into our investment policy development services in the next reporting year
- No, we do not

**IC 06.2**

Describe how you incorporate ESG factors and RI-considerations when advising clients on investment policy development.

- Reviewing clients' existing beliefs, investment strategy and policy in relation to ESG
- Aligning the investment policy with the client's overall ESG strategy and beliefs
- Helping clients define ESG investment objectives and incorporating them into policies
- Considering short-, mid- and long term time horizon of overall ESG objectives outlined in the investment policy
- Aligning the policy with the relevant ESG/RI regulations and public policies
- Determining the client's ESG risk-profile and materiality to inform the investment policy
- Providing education/training and case studies if the client has not publicly committed to an ESG strategy or beliefs, and seek to incorporate ESG in the client's investment policy
- Researching ESG trends, terminology and current debate to help create an up-to-date investment policy
- Comparing ESG investment policies of peers in the market
- Engaging the client organisations' executives, Board and any other stakeholders in the ESG investment policy development
- Outlining the internal governance structure responsible for overseeing and implementing the investment policy
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

**IC 06.4**

Additional information. [OPTIONAL]

We help our members develop their ESG/Responsible Investment Policies. We don't do broader investment policy development work.

# Australian Council of Superannuation Investors (ACSI)

## Reported Information

## Public version

## Research and Data Provision

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## Product level

RDP 01

Mandatory

Public

**RDP 01.1** Indicate your product type. Tick all that apply.

- Analysis
- Benchmarking reports
- ESG ratings
- Credit ratings
- ESG indices
- Raw data
- Second party opinion on green or social bonds
- Surveys
- Other, specify

Research

**RDP 01.2** Indicate whether you make any of your products publicly available.

- Yes, all products
- Yes, some products
- No, we do not

**RDP 01.3** Additional information. [OPTIONAL]

ACSI website: <https://acsi.org.au/>

ACSI research reports: <https://acsi.org.au/research-reports/>

## Research/process level

RDP 02

Mandatory

Public

**RDP 02.1**

Indicate the types of sources you use for research and/or ratings of companies/sectors/geographies or similar. Tick all that apply.

- Your organisation`s independently collected data from public sources
- Regulatory sources
- Information from NGOs and other stakeholders
- In-person meetings or calls with company or industry representatives
- Primary data (self-reported from companies or other organisations)
- Secondary data (from other research provider databases)
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

**RDP 02.2**

Indicate how ESG factors are incorporated into your research and/or rating methodology

- Identifying exposure and risk to ESG factors
- Considering responses to self-assessment questions on ESG
- Assessing current and future capacity to manage or mitigate ESG risks
- Assessing past and potential future performance on ESG factors
- Assessing alignment and compliance to different policies and regulations
- Assessing alignment and compliance explicitly to the Sustainable Development Goals (SDGs)
- Assessing current and future positive ESG impacts
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

**RDP 02.3**

Describe how you define materiality and how this is captured in your research and/or rating methodology as well as final product.

The focus of ACSI's research, policy and representation is environmental, social and governance (ESG) investment risks and opportunities. ESG is systematically incorporated into all research, analysis and voting advice provided by ACSI to our members, therefore, we do not have to implement a rating methodology to ensure that we are capturing material ESG issues.

However, we can speak to how we define material ESG issues: In this ACSI views materiality as a consideration of whether an ESG issue will affect the long-term financial performance of companies in which our members invest.

We determine which companies we focus on through research, prior engagement and the previous year's proxy voting, as well as understanding the size of our members' holdings. We focus our activities (like advocacy, voting and engagement) on material themes and companies.

**RDP 02.4**

Additional information. [OPTIONAL]

Governance guidelines: <https://acsi.org.au/publications/governance-guidelines/>

Research reports: <https://acsi.org.au/research-reports/>

Government submissions: <https://acsi.org.au/submissions/>

ACSI annual report: <https://acsi.org.au/about/corporate-documents/>

RDP 04	Mandatory	Public	Descriptive
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RDP 04.1	Indicate how you ensure that your ESG assessment of companies/ sectors/ geographies or similar is up-to-date and that new information is incorporated or new assessments are conducted at reasonable intervals.
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- Regular update cycles (annual or more frequent)
- Allowing assessments/ ratings to be adjusted at any time by your organisation
- On-going alerts systems in place for new events and information that might have implications on the original assessment/ ratings
- On-going monitoring of possible controversies and compliance to conventions, regulations and similar
- Providing tools for companies/ sectors or others to update the researcher, rating agency or data provider with new information
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

RDP 04.2	Additional information. [OPTIONAL]
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ACSI ensures that its data and assessments of companies are regularly updated, and we re-evaluate our ESG assessment and information on ASX300 companies and sectors through a variety of mechanisms throughout the year and more formally at particular intervals, such as during our sustainability disclosure research project in the first quarter of each year, prior to meeting a company and during the preparation of our voting advice for AGMs. ACSI also monitors controversies and communicates new information to members about ASX300 companies as they arise.

This means that our ESG information is kept up-to-date and is incorporated into the information we provide to members.

Examples of this are evident in ACSI's longitudinal research projects such as CEO Pay in ASX200 Companies and Sustainability Reporting Practices of the ASX200, which require thorough collection and collation of data to make an informed decision on a company's performance.

RDP 05	Mandatory	Public	Descriptive
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RDP 05.1	Indicate how you typically ensure a balanced approach to your research methodology and assessing/rating of companies/sectors/geographies or similar. Tick all that apply and explain your approach to each option.
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**Type of indicators**

- Balancing quantitative and qualitative indicators

	Explain your approach
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ACSI collects and assesses both qualitative and quantitative information. This includes information and assessing indicators on specific companies or by index, sector, historical and current performance and particular thematic risks.

- Balancing management/process oriented indicators and performance indicators
- Balancing reference to past and current performances, such as whether the rating object's performance is improving or deteriorating



**Explain your approach**

ACSI ensures that its data and assessments of companies are kept updated with past and current performance. This allows ACSI to make an informed decision on the improvement or deterioration of a company's performance. This is achieved through a company-data record keeping system and a data and record keeping process employed by all staff.

- Balancing environmental, social and governance indicators

**Explain your approach**

ACSI's core business activity is covering all areas of environmental, social and governance research and analysis. ACSI conducts multiple thematic research projects on a variety of ESG topics such as fossil fuels, workplace mental health and safety, board composition and CEO pay. ACSI's research projects each year cover E, S or G, or a combination of topics, therefore removing the issue of having all projects with the same single focus.

- Balancing self-reported and public data

**Explain your approach**

ACSI maintains a balance between company-provided information and independent information by actively utilizing both when conducting company and thematic research. ACSI accesses all publicly available information provided by the company alongside research and analysis by independent sources.

- Other, specify (1)
- Other, specify (2)
- None of the above

**RDP 05.2** Additional information. [OPTIONAL]

ACSI's research is special purpose and does not rate companies as such on an ESG basis, as contemplated by the ARISTA standard, nor is it designed to help companies form an investment opinion.

<b>RDP 06</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>
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**RDP 06.1** Describe the control processes in place to ensure quality of research.

Indicator 06.1, in its entirety, does not fit with the way ACSI conducts research as our research is special purpose and does not rate companies as such on an ESG basis, as contemplated by the ARISTA standard, nor is it designed to help companies form an investment opinion. ACSI's research reports are thematic and discuss material risks and opportunities and therefore do not have the same criteria and methodology across all of them.

However, we can elaborate on the processes ACSI employs for all the work we do to ensure our research reports and voting reports are of high calibre and quality.

ACSI's core business activity is providing environmental, social and governance research and analysis and staff are employed to be ESG subject matter experts. In conjunction with this ACSI has different control processes to ensure the quality of research is assured.

One or many of the following controls may be applied depending on the material:

- Seeking member input
- Review by senior analysts
- Seeking input and working with other subject matter experts

- Review by executive management and/or CEO
- Seeking feedback from companies
- Supplying a copy to companies

It is also worth noting that ACSI has a policy of correcting factual errors if any are made.

<b>RDP 08</b>	<b>Voluntary</b>	<b>Public</b>	<b>Descriptive</b>
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<b>RDP 08.1</b>	Describe how research and data provision outputs are used by clients.
-----------------	---

Describe

	Describe how research and data provision outputs are used by clients.
--	---

ACSI members use the research and data provided by ACSI to inform their investment decision-making processes, exposure to ESG investment risks and opportunities, help protect and manage their investments for the long-term and assist funds to exercise their responsibility of active ownership and stewardship of the shares they own within the ASX300. This is done via a multi-faceted approach through thematic and longitudinal research, policy advocacy, company engagement and proxy voting advice. ACSI provides research on material ESG issues to support our members advocacy, engagement and voting programs.

Not applicable for our organisation

# Australian Council of Superannuation Investors (ACSI)

## Reported Information

### Public version

### Confidence building measures

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