

MEDIA RELEASE

10 May 2023

Australian Shareholders' Association Reveals 2023 Focus Issues for ASX-listed companies

ASA's Focus Issues will be launched at this week's ASA [Investor Conference](#) at **2.15pm (AEST) on Thursday, 11 May** at the Sheraton Grand Sydney Hyde Park. ASA director and former journalist, Lel Smits will host the Chairs Roundtable with **Robert Millner (BKW,WHSP) & Debra Hazleton (AMP)** and drill down to how these directors address these issues. Contact **Rachel Waterhouse, ASA CEO, ceo@asa.asn.au** for a two-day media pass which includes unlimited conference access, buffet lunches and a cocktail reception from 5.00pm-6.30pm on Thursday.

ASA CEO Rachel Waterhouse said, "Our Focus Issues set our expectation of Boards and companies and what we will be looking at for the main AGM season. In particular, that Boards are making the best decisions to benefit retail shareholders. It is important that a board ensures it has the appropriate skills and each director has enough time to devote to their role, and collectively there is the effective oversight risk including cyber and ESG."

Highlights

ASA has revealed its focus issues for monitoring ASX-listed companies in 2023.

The four focus areas are:

1. the fair treatment of shareholders;
2. expectations of directors and boards around skills, workload and cyber-security;
3. ESG/Sustainability; and
4. CEO remuneration.

The fair treatment of shareholders

Fair treatment of shareholders reminds directors to respect the long-term capital provided by retail shareholders.

Directors and Boards

The focus on the Board reinforces the need for directors to make the best decisions for the company and oversight risk. This will provide better profits, returns and longevity. There are three areas of focus for directors:

Diverse skills

Boards should include directors with the diverse skills and thinking needed to fulfill the company's strategic plan, communicated in a board skills matrix. This supports shareholders' decisions about voting on a director's election or re-election.

Director workload

Directors should be able to devote adequate time and attention to their role and the company, particularly in times of crisis. For this reason, we limit our support to a director sitting on a maximum of five separate and un-related listed company boards. A chair role is assessed as equivalent to serving on two boards.

Cyber-security

Boards should ensure that their company is identifying, managing, and communicating to shareholders about any cyber- or data-risk, with an appropriate and resilient risk culture in place.

ESG

ESG risk identification and communication, allows shareholders to assess risk over longer term and ensures the board communicates both non-financial and pre-financial risks.

We expect companies to incorporate ESG strategy, practices, and reporting in an appropriate, effective way, using a recognised standard such as the Task Force on Climate-related Financial Disclosures or the Global Reporting Initiative.

We will look for the efficient use of company resources, adequate reporting to shareholders and the avoidance of greenwashing.

A CEO's remuneration short-term and long-term incentive plans should drive a culture of effective management of ESG risks.

CEO remuneration

CEO remuneration is a focus so the opportunity is not wasted to build better culture and identify and measure what matters in executive performance.

Increased the expectation to 40%

We have increased our expectation of a minimum of 40% male and female directors on the board within ASA's voting and engagement guidelines. Board diversity produces diversity of thought and avoids groupthink. A board composition should be representative of the population, its workforce, customers, and region and avoid homogeneity.

Read more:

[Australian Shareholders' Association Focus Issues](#)
[ASA Voting guidelines](#)

For more information or an interview, please contact:

Rachel Waterhouse
CEO, Australian Shareholders Association
ceo@asa.asn.au

The Australian Shareholders' Association (ASA) educates investors and gives retail shareholders a voice. It is Australia's largest, independent, not-for-profit individual investor association. ASA is passionate about keeping the market fair for the everyday, independent investor, and has been doing just that since 1960. ASA provides members with a community of experienced investors and shareholders. Members can further their investment knowledge through the annual conference, webinars, podcasts, magazines, monthly meetings, and discussion groups (including in regional areas), seminars, workshops and more.

ASA's mission is to:

- *Protect shareholders' rights*
- *Make individual shareholders' vote count*
- *Help individual investors on their investment journey*
- *Connect people to a community of investors*

Investment and financial literacy is a significant contributor to financial security for women, and ASA's free **Winvest** is a valuable resource for helping to understand the fundamentals of investment.

To learn more, please visit: www.australianshareholders.com.au