



Climate-related Financial Disclosure Statement

October 2025

Foreword

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

These disclosures will provide investors with a much clearer picture of how organisations are managing climate risks and opportunities – a welcome development, as those risks are deeply embedded across the economy and a significant challenge for Australian companies and investors, including superannuation funds.

Mandatory climate reporting should provide ACSI members with clearer information about their investee companies' exposure to physical and transitional risks related to climate-change. This information will be integrated into investment processes and used by investors in their risk assessment and stewardship activities.

ACSI has called for greater transparency of listed companies' climate related risks and opportunities for over a decade to support investors in making important investment decisions.

In line with this focus, ACSI convened two dedicated climate seminars during the reporting year, focusing on practical pathways to net zero and innovative solutions for the climate challenges facing investors and companies alike. These events provided an opportunity for members and stakeholders to share insights, discuss key climate challenges facing investors and listed companies, and pathways forward.

These seminars reinforced ACSI's 2024 research, which showed the majority of ASX200 companies already disclose their management of climate risks, but mandating reporting will aid the comprehensibility and comparability of disclosures and provide clearer guidance for new reporters.

It also signals the role investors, companies and the broader market have in decarbonising our economy.

For long-term investors, one aspect of managing climate-related risk requires an understanding of how investee companies can adapt to a low-carbon future. This includes a company demonstrating how climate risks and opportunities are integrated into its governance, strategy and risk management processes.

As a representative of long-term investors, ACSI engages with companies to understand their approach in managing the climate-related risks and opportunities that are material to their business, the challenges they face, and to clearly communicate our expectations.

Adopting disclosure ourselves is our way of keeping ourselves accountable to what we expect from the companies we engage with. Although our assessment is that we do not have material climate-related risk exposure directly in our own business operations, like all organisations, we are exposed to systemic risk. We also engage in public policy advocacy, with the aim of encouraging public policy settings that support appropriate management of the risks and promote the opportunities.

This report aims to demonstrate how it can be useful for businesses of all shapes, sizes and industries to undergo regular examination of their own exposure to climate change, and report on the results.

About ACSI

Established in 2001, ACSI exists to provide a strong voice on financially material sustainability and corporate governance risks and opportunities. Our members include Australian and international asset owners and institutional investors with more than \$1.9 trillion in funds under management.

Through our company engagement, policy advocacy, research and education, ACSI supports members in exercising active ownership, which enhances the long-term value of the retirement savings entrusted to them to manage.

ACSI members can achieve value for their beneficiaries through genuine and permanent improvements to the environmental, social and governance practices of the companies in which they invest.



Australian & international investors



Leading voice on sustainability & corporate governance issues



ACSI members manage over \$1.9 trillion in assets

Acknowledgement of Country

We acknowledge and respect the traditional lands and cultures of First Nations people in Australia and globally. We pay our respects to Elders past and present and recognise First Nations peoples' longstanding and ongoing spiritual connections to land, sea, community and Country. Appreciation and respect for the rights and cultural heritage of First Nations peoples is essential to the advancement of our societies and our common humanity.

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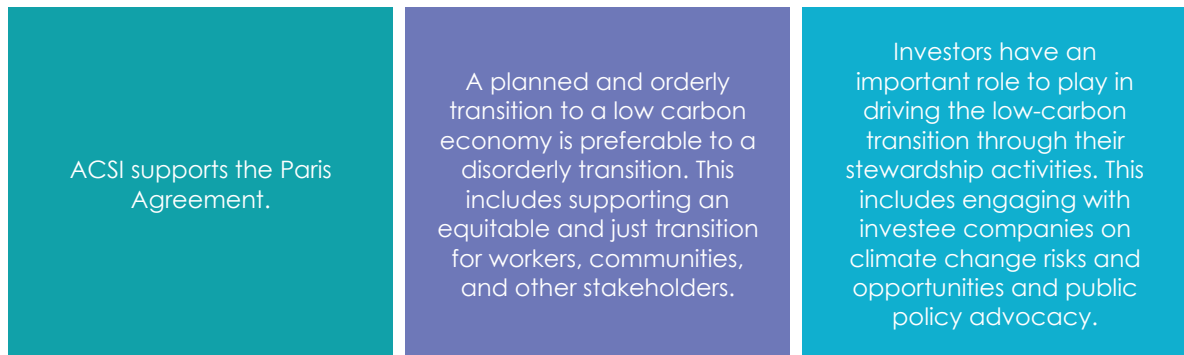
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Governance

The Australian Council of Superannuation Investors (ACSI) (ACN 164 568 610) is a public company limited by guarantee domiciled in Melbourne, Australia. As at 1 October 2025, ACSI employs 25 permanent staff, and we support our Australian and International members. ACSI is a standalone entity whose registered head office and principal place of business is at Tenancy 1 of Level 15, 2 Lonsdale Street, Melbourne, Victoria Australia.

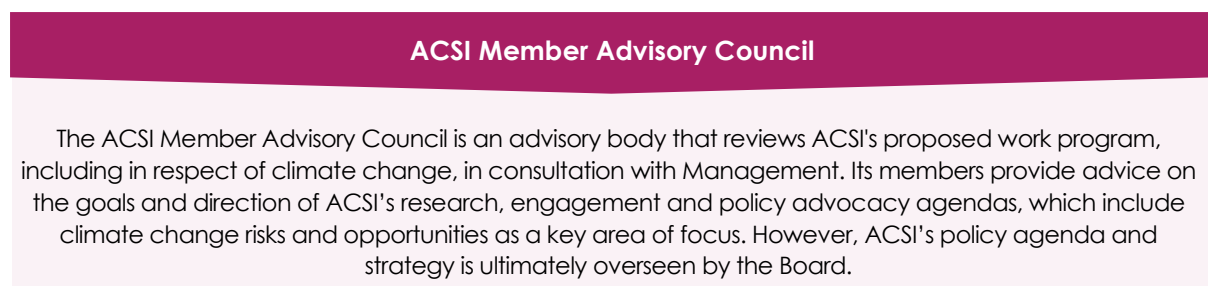
ACSI climate change principles



ACSI governance oversight of climate-related risks and opportunities

At ACSI, we recognise the risk that climate change poses, as a business, individually and within our community. Climate change, and its impact on our members and their beneficiaries' investment returns, is an important issue in our work. We seek to understand how climate change will impact our business, and our members' investments, and actively aim to minimise the risks.

Our Governance structure, and how we oversee risk management in relation to climate risk, is outlined below:



Management's role in assessing and managing climate-related risks and opportunities

ACSI is a member-based organisation dedicated to supporting long-term investors and asset owners. Our members recognise that environmental, social and governance risks and opportunities, including climate change, are financially material for long-term investment performance.

The long-term investment time horizons over which ACSI members invest intersect with the timeframes over which climate-related physical and transition risks and opportunities are likely to impact. Therefore, ACSI's primary focus regarding climate-related risks is to empower our members in their stewardship activities, by providing research, hosting climate-related seminars, engagement with ASX300 companies and policy and advocacy work with policy makers, regulators and other industry bodies. How ACSI supports members to identify, assess and manage climate related risks is located on page 12 of this statement.

Beyond our advocacy and support for members, ACSI is also committed to assessing and managing our own climate-related risks and opportunities by continuing to monitor and review our internal operations to minimise our carbon footprint wherever possible. How we focus on our own business risks and opportunities is provided in the next section of this statement.

Net zero commitment

ACSI supports the Paris Agreement aim of limiting global warming to well below 2 °C and pursuing efforts to limit it to 1.5 °C. We have advocated for the development of economy-wide strategies to achieve this, alongside interim targets that are aligned to the Paris Agreement objectives. These are imperative to achieving orderly, just, and fair transition for the Australian economy where the transformation sees both the risks mitigated and the opportunities realised.

ACSI's operational net zero commitment

ACSI's operational emissions footprint is relatively small, with emissions primarily generated from electricity use in our office space at any given time. We have explored the feasibility of sourcing renewable electricity for our tenancy. Although we are currently unable to secure renewable electricity directly, we will continue to monitor and review our options.

While our emissions are small, we remain committed to minimising our footprint. Based on data provided by our landlord and our electricity service provider, our Scope 1 & 2 emissions for FY24/25 were 12,675 kg/CO₂ per sqm, calculated as ACSI's pro rata share of the scope 1 & 2 emissions for our office tenancy.

ACSI requires that the property manager for our head office space disclose a Paris aligned net zero target for their office portfolio and demonstrate a pathway for decarbonizing their properties portfolio. Based on the targets and activities provided to us by our property manager, ACSI has a corresponding ambition to achieve net zero emissions by 2030 for our Scope 1 and 2 emissions.

As ACSI's head office tenancy is within ISPT, our commitment is reliant upon ISPT's commitments as outlined in their upcoming FY2026-2028 sustainability strategy. ISPT has expanded their existing climate strategy to include emerging priorities like circularity and embodied carbon, partnering with tenants to drive deeper environmental impact as follows:

- Climate action: Drive emission reductions across the building life cycle and throughout the value chain, through focus areas of resource efficiency, decarbonisation and climate resilience. FY2028 targets:
 - 10% reduction in property operations emissions (scope 1, 2 & 3)
 - 20% reduction in upfront emissions (scope 3)
- Circular economy: Embed circular economy principles into the way we design, build and operate our properties, through focus areas of resource recovery, circular design and nature impacts. FY2028 target:
 - 50% material recovery rate (property operations)

With reference to our specific head office tenancy, ISPT has confirmed that the following steps have been taken by ISPT in 2025:

- The building has achieved a 5.5 star NABERS energy rating.
- The building has achieved a 4.5 star NABERS water rating.
- The building has achieved a 5.5 star NABERS indoor environment rating.
- The building has achieved a 3 star NABERS waste rating.
- All base building systems (such as lighting and power in common areas, lifts, and HVAC) are powered by 100% renewable GreenPower electricity. ISPT also tracks carbon offsets required until electrification projects are fully completed.
- The building has diverted 6.05 tonnes of Organic Waste.
- A Recycling Diversion rate of 45.70% was achieved in the year, reflecting the percentage of total waste that has been diverted from landfills through recycling efforts.

ACSI's Scope 3 emissions are primarily from staff commuting to and from the office and company travel. Most staff commute via public transport or cycling to work, with a few staff using a standard combustion car to commute to the office.

In FY25, ACSI's airline travel generated an estimated 121.5 tonnes of CO2 emissions, of which 42.3 tonnes were offset through airline carbon offset programs where available. While we have a net zero commitment for Scope 1 and 2 emissions, our work in relation to Scope 3 emissions is focused on reviewing the carbon offset options available through various carriers and monitoring our air travel emissions, encouraging public policy changes, and our company engagement program supports emissions reduction programs and the development of sustainable aviation fuel across the relevant sectors.

Influencing others on managing climate change-related risks and opportunities

ACSI seeks to have significant impact in reducing portfolio risk for our member funds and reducing emissions in the real economy through our company and policy engagement activities as well as through our proxy voting recommendations.

ACSI's [climate policy position](#) outlines our expectations for companies facing material climate-related risks which, include, but are not limited to:

- Disclosing their approach to managing climate-related risks.
- Aligning corporate strategy to the Paris Agreement and the objective of net zero emissions by 2050.
- Undertaking scenario analysis to stress-test the resilience of their business to both transition and physical risks against a range of plausible but divergent climate futures.
- Setting short-, medium- and long-term emissions-reduction targets that align to the Paris Agreement.
- Aligning policy and advocacy activity on climate to be consistent with the goals of the Paris Agreement.
- Planning for just and equitable transitions.

Strategy

ACSI's head office is located in Melbourne, Australia, and faces physical risks associated with climate change in this region. While ACSI faces limited business specific direct transition risk as an organisation, we may be subject to systemic risk and climate change is a core focus of our day-to-day work.

ACSI works to address climate related investment risk as part of its role as an advisor on ESG issues to its clients, which are superannuation funds or institutional investors. As such, ACSI identifies risks faced by members, particularly in their listed company investments. These are described below. Given ACSI's relatively small operations and emissions profile, we focus on the areas where we can have greater influence, including our core role in assisting our members with their stewardship activity.

Climate-related risks and opportunities identified over the short, medium, and long term

ACSI's members invest in multiple asset classes including equities, bonds, infrastructure, and property, both in Australia and overseas. ACSI provides research, engagement and (in some cases) voting research and recommendations in relation to Australian equities and international equities (focusing on the ASX200, with voting advice provided across the ASX300).

There are significant risks to listed companies associated with the transition to a lower carbon economy. As investors, ACSI's members have a strong interest in managing these risks, as well as in encouraging companies to pursue opportunities associated with this transition.

ACSI has identified those ASX200 companies that face significant transition and physical risks, and target these companies in engagement, regularly meeting with their directors and executives.

The work ACSI undertakes in the areas of research, policy and company engagement to support a smoother transition to a lower carbon economy is reported regularly to our members and to the public, including via our [Stewardship Report](#).

Impact of climate-related risks and opportunities on strategy and financial planning

The identification and management of climate risks across the market through engagement, research and policy advocacy is a core responsibility for ACSI in its role as an ESG advisor to superannuation funds and therefore has an impact on strategy and our financial decision making. Climate change-related engagement, research and policy aims are included in ACSI's business plan, which is approved by the Board. Staff resources are used to engage with ASX200 directors and companies to express expectations around climate-related risk. ACSI funds internal and external research on climate change.

Resilience of organisational strategy, taking into consideration different climate-related scenarios

ACSI is not exposed to high levels of organisation specific transition risk and therefore has not completed scenario analysis related to our organisation specifically. Nonetheless we recognise that our business is subject to the economy-wide risks posed by climate change. In addition, ACSI uses services that are subject to levels of climate related risk, such as our building occupancy.

Our lessor - ISPT - has undertaken portfolio scenario planning using a range of climate scenarios across varying timeframes to assess future climate trends. These scenarios were the Intergovernmental Panel on Climate Changes (IPCC) Shared Socioeconomic Pathway 1-2.6 low emissions scenario, SSP2-4.5 medium emissions scenario and SSP5-8.5 high emissions business as usual scenario. Three timeframes were utilised being 2030, 2050 and 2090. As part of their risk assessment, in 2025, ISPT completed a climate exposure assessment to include joint ventures and recent acquisitions. The evaluation considered 14 natural hazards under a high emissions scenario (SSP5-8.5), with projections for 2030 and 2050. Results showed no significant change in overall climate exposure risk across the portfolio. They track their Climate Risk and Compliance through their Shield platform which captures climate risks at the asset level and consolidates recommendations from various assessments. It automates monitoring and reporting, enhancing ISPT's climate risk management and compliance capabilities.

ACSI recognises the importance of scenario analysis for the companies its members invest in, particularly where they are subject to higher exposure to climate risk.

Risk management, metrics and targets

ACSI's operations

Whilst ACSI's exposure to climate risk is low relative to large organisations, in FY25 ACSI's Scopes 1, 2 and 3 emissions arose from the following operational areas:

Emission Category	Sources Covered	FY 2025 (CO2-e tonne)
Scope 1	No emissions from direct operations	-
Scope 2	Tenancy occupied (derived as a proportion of the data from our landlord) Electricity provider	12.67
Scope 3	Emissions from our business travel Staff commuting travel Printing activities	79.44
Total Emissions		92.11

ACSI is committed to reducing our level of emissions with the following approach:

- Engaging with our lessor ISPT to monitor how they progress against their own targets [\(page 7\)](#).
- Where business related travel is required, monitor and review air travel emissions exploring available carbon offset programs offered by airline carriers, with the ambition to reduce our air travel emissions.
- Proactively looking for opportunities to minimise waste, including:
 - Recycling goods including paper, cardboard, e-waste, and other recyclable goods as done in collaboration with our landlord
 - Minimising printing by utilising digital options to reduce waste where possible.
 - Recycling coffee pods used at the office by returning them to the supplier.
- Conveying environmental management expectations of our suppliers through our Supplier Code of Conduct. Suppliers are expected to minimise the environmental impact of their operations and maintain environmentally responsible policies and practices.

Our standard supply agreements require that suppliers comply with all applicable laws and regulations relating to the environment, including any management and reporting obligations. Where relevant, suppliers are expected to manage the environmental impact of their operations by:

- ensuring safe storage, transportation and disposal of hazardous substances including hazardous waste.
- maintaining policies and practices for the efficient use of energy, water and natural resource consumption.
- maintaining policies and practices that reduce the risk of pollution, loss of biodiversity, deforestation, damage to ecosystems and greenhouse gas emissions.

ACSI's work to support members

How ACSI supports members to identify, assess, and manage climate-related risks.

ACSI members are exposed to climate change risks in a range of ways including through their portfolios and the broader economy.

Therefore, the most significant role ACSI plays is to support our members in managing and mitigating climate-related risks through their investment stewardship activities. The ways that ACSI support our members are through research, company engagement and educational seminars. In FY24/25 ACSI delivered two climate seminars, focused on global progress towards the Paris Agreement, decarbonisation strategies, explored using AI and data for climate risk management, lessons from climate reporting, and investor expectations for disclosure.

ACSI has identified ASX200 companies facing significant transition and physical risks, and targets these companies in engagement, regularly meeting with directors of these companies. Where issues are systemic, ACSI participates in public policy debates to encourage policy settings to better manage the risks and capture any opportunities.

1. Identification and assessment of climate change risks

ACSI assesses climate-related risks by identifying sectors and companies most exposed to physical and transition risks in the ASX200, including broader social implications for the low carbon transition.

Where risks and opportunities are systemic, ACSI identifies and advocates for policies that will better manage climate-related risks for investors.



2. Management of climate-related risks

ACSI responds to climate-related risks through:

- Engaging with companies to encourage them to take measures or modify behaviours to reduce and manage climate-related risk.
- Undertaking research projects that provide an evidence base for engagement with companies on climate-related risk.
- Undertaking research projects that provide an evidence base for policy change that will reduce climate-related risk for investors.
- Advocating for policies that better support the management of climate-related risk.



3. Reporting progress and prioritising action

ACSI's climate change engagement priority companies are reviewed and updated annually. Where ACSI identifies issues, we engage with the companies throughout the year and track and monitor progress against our defined objectives. ACSI provides semi-annual updates and evaluations to members on whether objectives were or were not met.

Where objectives are not met, ACSI continues to prioritise those issues in company engagements and applies our [Climate Change Policy](#) where appropriate.

ACSI monitors policy proposals and developments, and, in conjunction with members, prioritises participation in the policy debates material to long-term investors.



4. Priority company focus

Each year, ACSI chooses a selection of companies with material climate risk issues as engagement priority companies. We define engagement objectives across governance, disclosure, risks, opportunities, metrics, targets, strategy and progress for target companies, and seek to influence the adoption of better practice.

Research

Report	Objectives	Outcomes
<p>Promises, pathways and performance: Climate change disclosure in the ASX200*</p> <p>Our last public report was released in July 2024. This research identifies how companies are progressing in climate change management and disclosure.</p> <p>In respect of the 2025 financial year, data was collected to 31 March 2025, with final validation underway before the release of a factsheet to mark progress and areas of ongoing concern in climate disclosure later in 2025.</p>	<p>Our annual research highlights examples of better practice reporting and where gaps in reporting remain. It shows how well ASX200 companies are reporting on their climate change approaches and commitments.</p>	<p>ACSI conducts an analysis of ASX200 company climate change disclosure. This research informs our engagement to encourage better practices. The research is also used across the market, and, in many cases, has been quoted by organisations seeking a snapshot of market practice in respect of disclosure.</p>
<p>Climate change credibility</p> <p>This member-only research started in FY25 and is taking place over the next year. It updates our Say on Climate assessment framework and will assess all climate priority companies against the new framework.</p>	<p>An updated framework for assessing Say on Climate resolutions that promotes consistent and robust assessments of climate progress by our climate priority companies.</p>	<p>Member-only research and company engagement insights.</p>
<p>Governing for Net Zero: The Board's Role in Organisational Transition Planning*</p> <p>This report, produced in collaboration with the Australian Institute of Company Directors (AICD), was prepared in FY25 and released in July 2025.</p>	<p>The objective of this collaborative report was to support boards in navigating the complexities of climate transition planning.</p>	<p>The report was informed by the hands-on experiences of directors and asset owners. It also provides an overview of directors' legal obligations. The report is publicly available and was also broadly distributed to the company directors.</p>

*Click title to view report.

Company Engagement

ACSI has been engaging ASX-listed companies on climate change for over a decade. We have been asking companies to improve disclosures and to demonstrate how they have integrated climate change considerations into corporate strategy, capital allocation and investment decisions.

Over time, ACSI has strengthened its engagement framework used to understand a company's approach to managing the climate-related risks and opportunities material to its business, the challenges it faces, and to clearly communicate expectations.

ACSI's climate change framework

Where companies face material climate-related risks, ACSI expects companies to:

- Disclose their approach to managing climate-related risks: Companies should comprehensively disclose their approach to managing climate related risks and opportunities, at a minimum aligning with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) risk assessment and reporting framework while recognising that mandatory reporting requirements are being phased in.
- Align corporate strategy: Align corporate strategy to the Paris Agreement and the objective of net zero emissions by 2050. Paris-aligned metrics should inform company strategy and be integrated into capital allocation decisions, financial reporting, and audit, and where appropriate, remuneration practices.
- Undertake scenario analysis: Companies should stress-test the resilience of their portfolios and strategy against a range of plausible but divergent climate futures, including a Paris-aligned 1.5°C scenario and physical-risk scenarios based on current warming trajectories.
- Set Paris-aligned emissions targets: Setting short, medium- and long-term emissions-reduction targets that align to the Paris Agreement. In addition to quantitative metrics, targets may include undertaking planned actions, partnerships, research and development, or investment to address risks material to the company.
- Analyse and manage physical risk: Companies should undertake analysis of the physical risks arising for assets within its portfolio. Assessment should be detailed and include asset-level and/or industry-level exposures and resilience plans.
- Align policy and advocacy activity: Companies should ensure their policy and advocacy activity is consistent with the goals of the Paris Agreement, including activity undertaken both directly and via industry associations.
- Plan for just and equitable transitions: Incorporate impacts on employees, communities and other stakeholders into transition strategy and planning.

These minimum expectations also form the basis of the framework against which ACSI analyses each company and its progress.

Further action

Where companies consistently fall short of ACSI expectations, applying the indicators set out in our climate change policy, ACSI may make recommendations to vote against directors of ASX200 companies, on a case-by-case basis.

ACSI's voting recommendations focus on the individual directors most accountable for oversight of climate-change related risks, for example company Chairs, and the Chairs of the Risk and Sustainability committees or similar.

As always, ACSI's recommendations will be combined with direct company engagement, and seek to take a balanced approach, with the long-term interests of members' beneficiaries paramount.

Support for 'Say on Climate' resolutions

To further support engagement between companies and investors on management of climate-related risk and opportunities for the long-term, ACSI supports the provision of a 'Say on Climate' whereby companies provide investors with an advisory vote on the company's management of climate-related risks and opportunities (using the indicators outlined above). While much of this work is already conducted through engagement between investors and companies, a 'Say on Climate' advisory vote provides further focus, transparency, and accountability.

How we measure and track progress

The broad engagement program aim is to encourage companies to take measures or modify behaviors to address climate-related risks. ACSI sets clear objectives for priority companies taking into account the relevant industry and progress to date. Each calendar year ACSI reports to our members the progress achieved for each company.

ACSI defines progress by reference to the extent to which target companies make improvement against our objectives.

ACSI's climate change framework noted above includes the seven key principles that guide the engagement objectives we set for companies and provides a clear summary of what ACSI expects companies to meet. The exact targets that we identify annually for companies depend on the specific company, industry, and the progress the company has made to date, so the objectives differ for each company.

What progress has ACSI achieved?

In FY25, ACSI conducted 340 engagement meetings with a broad range of ASX300 companies and held another 13 meetings with NGOs to gain insight into their concerns about company activities on a range of ESG topics.

This included 88 meetings with ASX300 companies where climate-related risk was discussed.

As at 30 June 2025, of ACSI's 25 climate priority companies, 23 companies demonstrated progress.

Details of the work ACSI undertakes in company engagement is reported regularly to our members and to the public, including via our [Stewardship Report](#).

Policy and advocacy

The risks of climate change are deeply embedded across the financial system and are expected to influence the value of ACSI members' investments. ACSI engages with regulators and policymakers to share its research, expertise on the climate-related risk faced by ASX-listed companies and the consequent investment risks. This work focuses on advocating for a regulatory environment that facilitates increased transparency and climate risk mitigation, in the best financial interests of superannuation fund members.

Governments and policymakers will have a vital role in setting a policy framework to facilitate the achievement of the Paris Agreement goal. ACSI has undertaken advocacy work, and engaged with various policy consultations, including:

- Encouraging effective implementation of mandatory climate-related reporting requirements, which began this year for large Australian companies. We contributed to policy development processes supporting implementation, including proposed regulatory guidance by the Australian Securities and Investments Commission (ASIC), the development of assurance requirements by the Audit and Assurance Standards Board (AUASB) and on the Government's approach to reforming Australia's financial reporting institutions.
- Working with policy makers to inform the Government's upcoming guidance on company transition plans, articulating our views on possible areas of focus, drawing on our experience engaging with listed companies. This project is ongoing, as part of the Government's Sustainable Finance Roadmap.

ACSI also engages with other organisations working on climate-related risks, to share knowledge and understanding of the issues. For example, this includes the Investor Group on Climate Change (IGCC), Australian Sustainable Finance Institute (ASFI), the Centre for Policy Development (CPD), the Responsible Investment Association of Australasia (RIAA), UN's Principles for Responsible Investment (PRI) and others.

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