

17 May 2018

HESTA commits to Australian-first stewardship codes

HESTA is championing the adoption of stewardship standards, committing to an Australia-first code for local asset owners and becoming the first Australian superannuation fund to sign up to a global set of principles endorsed by some of the world's biggest investors.

HESTA became the first Australian endorser of the International Corporate Governance Network's (ICGN) Global Stewardship Principles that provide a global framework for investors to implement their fiduciary duties to beneficiaries.

HESTA is also among the first two Australian super funds to commit to a code developed by the Australian Council of Superannuation Investors (ACSI).

The Australian Asset Owner Stewardship code aims to increase the transparency and accountability of stewardship activities undertaken by asset owners in Australia.

HESTA CEO Debby Blakey said committing to these initiatives aimed to encourage the broader adoption of stewardship principles, which would benefit long-term, responsible investors like HESTA, and the members they're dedicated to.

"We have a long history of incorporating the principals of good stewardship into the ownership and governance of investments," Ms Blakey said.

"We believe this not only protects and enhances long-term investment value for our members, but promotes sustainable value creation in the companies we invest in on their behalf."

"Our members' best interests are also served by supporting a healthy economy, environment and society, and as stewards of our member's retirement savings we want our actions to have a long-term positive impact on the world our members will retire into."

Ms Blakey said these initiatives were a positive step towards increasing transparency around the stewardship activities of Australian asset owners. This would help members better understand how their super funds were integrating environmental, social and government (ESG) considerations into active ownership practices.

"There is substantial evidence that active ownership through engagement and the considered use of shareholder voting rights is extremely effective at creating long-term change and enhanced value for members, Ms Blakey said.

"Through collaborating with other large investors and encouraging others in the investment value chain to also adopt responsible stewardship practices, we can have a real impact."

"We believe that effective stewardship not only improves the long-term performance of our members' investments but also enhances the sustainability of companies, and is good for the economy as a whole."

The ACSI-developed code is the first stewardship code to focus exclusively on the activities of Australian asset owners. It sets out six principles that signatories must demonstrate an ongoing commitment to. Stewardship activities include exercising voting rights, company engagement, monitoring asset managers and financial system advocacy.

**media
contact:**

Sam Riley
Media Relations Manager
(03) 8660 1684

...
your stories,
our inspiration

Internationally, the ICGN's Global Stewardship Principles is endorsed by major global asset owners such as the \$US300 billion California Public Employees' Retirement System (CalPERS) and Canada's Ontario Teachers' Pension Plan (\$189 billion). Key global asset managers have also committed to the Principles, with BlackRock and Schroders among its endorsers.

The seven high-level principles that comprise the ICGN's Global Stewardship aim to provide practical guidance to investors on how they can implement strong standards of internal governance and are designed to complement national and regional stewardship standards.

The Principles also outline how investors can ensure a comprehensive approach to active ownership activities, the monitoring of investments, integration of ESG into investment decision-making and provide standards for transparency, disclosure and reporting.

HESTA was a founding member of ACSI and Debby Blakey is an ACSI Board member. HESTA has been a member of ICGN since 2004.

Download the [HESTA Stewardship Statement](#)

Download the [Australian Asset Owner Stewardship Code](#)

HESTA

*HESTA is an industry superannuation fund dedicated to those working in the Health and Community Services Sector. HESTA has over **850,000** members and manages more than **\$44 billion** of members' assets.*

**media
contact:**

Sam Riley
Media Relations Manager
(03) 8660 1684

...
your stories,
our inspiration