

# Advisory Group on Corporate Governance Communique

Date: 1 April 2026

The second meeting of the Advisory Group on Corporate Governance (**AGCG**) was held on 30 March 2026.

In updating the Corporate Governance Principles and Recommendations (**Principles**) for public consultation in Q3, the AGCG took the following actions:

1. recommended that each of the eight principles be accompanied by a short statement that explains “why” the principle is important. The Group also recommended that the principles and recommendations be accompanied by explanatory material, replacing the previous commentary. This material should provide general background that is helpful in meeting the recommendations or developing alternative governance practices. This explanatory information is not intended to create additional compliance and reporting obligations.
2. reviewed drafting that highlighted the centrality of the ‘If not, why not’ approach to the recommendations. Where considered appropriate, the general principles may be satisfied through alternative arrangements. When entities choose different arrangements the AGCG discussed the importance of providing transparency to investors about the alternative governance practices and their rationale.
3. recognised the important role that diversity plays to strong corporate governance. A board that comprises diversity of thought, experience and perspective can meaningfully help strengthen the quality of board deliberation and decision making. The AGCG also agreed that the inclusion of a numerical gender diversity target for boards of ASX300 companies has been effective in promoting diversity. It recommended that a numerical gender target for boards of ASX300 entities be maintained in the updated Principles. It did not recommend introducing a numerical target for other diversity characteristics or require disclosure of these characteristics for individual directors.
4. recommended that the approach of setting out additional recommendations to support governance of entities incorporated in other jurisdictions that are consistent with Australian law be maintained. Where these entities decide to adopt different practices, they can be transparent to investors about their alternative governance practices and their rationale.
5. discussed recent key developments in corporate governance including the Federal Court decision in the Star Entertainment Group case.

The Advisory Group on Corporate Governance will next meet on 8 May 2026.

Dr Philip Lowe

Chair, Advisory Group on Corporate Governance