Media Release

21 July 2026

ASX consults on updated and simplified next edition of Corporate Governance Principles and Recommendations

ASX today commences public consultation on the 5th edition of its **Corporate Governance Principles and Recommendations (“Principles”).**

ASX developed the draft 5th edition with input from ASX’s Advisory Group on Corporate Governance (“Advisory Group”), chaired by former Reserve Bank of Australia Governor, Dr Philip Lowe.

Advisory Group Chair Dr Philip Lowe said: “The Principles and Recommendations have been a crucial piece of Australia’s capital markets landscape for more than two decades, supporting listed entities’ long-term value creation and playing a key role in what makes ASX a market investors trust.

“The 5th edition seeks to refine – but not redesign – the existing framework. We wanted to retain what has worked well and commanded support across the market, while also simplifying the framework and updating for changes in governance and laws since 2019. The aim is a new edition that is clear, practical and better aligned with contemporary governance practice.

“The consultation proposes changes across the Principles. It explains the benefits of the high-level principles and provides firms with the flexibility to either adopt the specific recommendations or develop and explain other governance practices that meet the high-level principles. In doing so, the revised draft Principles reinforces the spirit and intent of the “if not, why not approach”.

“I would like to thank the Advisory Group’s seven members for their support and counsel in developing these draft Principles.”

ASX’s Acting Group Executive Listings, Gavin Skene said: “There is broad and longstanding support for the core architecture of the eight Principles and the 'if not, why not' approach, and both are retained in this draft because they continue to earn that support.

"The Principles only do their job if they're lived by boards, not just checked off. Companies can apply the Principles in a way that reflects their circumstances, while remaining accountable to investors when they don't. Getting that balance right is what we're asking the market to test through this consultation.

“There are refinements throughout the Principles, including simplifying the approach to director and executive remuneration, and in board composition, especially the recognition that a board with diversity of thought, experience and perspective can make better decisions.”

The eight Principles open for consultation are:

1. Lay solid foundations for management and oversight;
2. Structure the board to be effective;
3. Instil and reinforce a culture of acting lawfully, ethically and responsibly;
4. Safeguard the integrity of corporate reports;
5. Make timely, balanced and accurate disclosure;
6. Support the rights of security holders;
7. Understand and manage risk; and
8. Remunerate fairly and responsibly.

The papers released today have been developed under ASX’s new model for maintaining and developing the Principles and draws on the substantial feedback from the former ASX Corporate Governance Council’s 2024 consultation on its exposure draft.

Under the new model, ASX is supported by an independent *Advisory Group on Corporate Governance,* which recommends proposed changes to the ASX Board. Along with Dr Lowe, the Advisory Group comprises seven members who bring deep expertise and global perspectives on listed entity governance, investment, superannuation, markets and stakeholder engagement. This group has met regularly since its first meeting in February 2026 and has guided the Principles’ development.

The Advisory Group will oversee the public consultation process with an objective to deliver to the ASX Board a recommendation by the end of 2026 on the final changes to the Principles.

Background

The Advisory Group was established to replace the ASX Corporate Governance Council, in line with the recommendations of an *Expert Review Panel*.

The former Corporate Governance Council conducted consultations in 2024-2025 to review the 4th edition of the Principles and Recommendations. That process drew more than 100 written submissions from a cross-section of the market, supported by consultations, a webinar and in-person events. It also produced a body of analysis, and proposed drafting that had broad support across former Council members on many points. ASX has drawn on this work, and where a proposed earlier change was well supported and remains appropriate, it has been carried into the draft 5th edition.

Where there was debate and different opinions, that process has helped shape the revisions in this draft. However, we have not sought to reopen areas where there was general alignment.

Next steps

ASX and its Advisory Group is seeking feedback on the Corporate Governance Principles and Recommendations over the coming eight weeks and will be hosting a national roadshow in August to hear directly from stakeholders. If you are interested in attending, please register ***here***.

Deadline for written submissions is 14 September 2026. Submissions can be submitted to ListingsPolicy@asx.com.au.

Further enquiries

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