

Please note that only clauses with **proposed amendments** are being considered; the deadline for new submissions for this policy area has closed. Further information about the federal policy review and submission deadlines is [here](#). Feedback on proposals is welcome using the comment function here, or in our [spreadsheet](#).

CORPORATE GOVERNANCE

Corporate activity should consider the concerns and interests of all stakeholders — shareholders, employees, business partners and society.

Principles

The Australian Greens believe that:

1. Corporations and governments operating in Australia have a responsibility to conform to the intent, as well as the letter, of Australian and international law.
2. Corporations and governments must behave ethically in all transactions and work to prevent corruption.
3. Laws governing corporations and business practices should promote social and environmental responsibility and respect for human rights.
4. Laws governing corporations and business practices should reflect the concerns and interests of all stakeholders including shareholders, employees, business partners and communities.
5. Government entities, including statutory authorities, should demonstrate leadership in providing exemplary governance and high levels of social and environmental responsibility.
6. Government-owned service delivery corporations should prioritise adequate, affordable and accessible service delivery over making profits.
7. Positions of authority should reflect community diversity with respect to age, gender, sexuality, ability, ethnicity and cultural background.
8. The climate crisis is a material business risk that all boards must recognise as part of directors' liability.
9. Auditing is best performed as a public service free of the conflicts of interest that arise from commercial reality.

Aims

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The Australian Greens want:

1. A business environment that encourages businesses and governments to fulfill their corporate, social and environmental responsibilities.
2. Effective regulation of the conduct of the corporate sector including international entities, to include:
 1. increased funding for regulatory agencies, adequate to enable enforcement;
 2. sanctions and fines that are sufficiently high to deter breaches of the law;
 3. extended liability of directors and managers and
 4. an extended range of effective penalty provisions such as publication orders, restrictions on Government related work, barring and de-listing of individuals and entities.
3. Decision-making processes in publicly listed companies that ensure informed and comprehensive participation by shareholders.
4. Transparent and accountable public utilities and government business enterprises. Where public subsidies are provided, information on the full environmental, social and fiscal costs should be publicly available.
5. Full accountability of government and corporations to the broader community, including implementing holistic accounting measures at all levels of government to incorporate social, environmental and financial impacts into policy development and assessment.
6. To reform the Corporations Act which incorporate stakeholder governance statutes to require the consideration of the environmental and social consequences of a corporation's activities.
7. Australian public companies, large proprietary companies and their subsidiaries, and government departments to be required to independently audit and publicly report their performance against economic, environmental and social criteria on an annual basis

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8. Elections of boards of publicly listed companies to be conducted by an independent statutory body.
9. The inclusion of corporate ethics and environmental and social responsibilities in all business and commerce course curricula at secondary and tertiary institutions.
10. Strong powers for the Commonwealth Auditor General and the Commonwealth Ombudsman to examine and report on the propriety of government tenders and procurement
11. All government-appointed boards to be representative of their stakeholders.
12. Stronger consumer education initiatives in the areas of reduced and responsible consumption, consumer rights and responsible investment.
13. Persons detrimentally affected by the operations of Australian corporations overseas to have a legally-enforceable right to take action against those corporations in Australia.
14. Greater powers and resources for regulators to police anti-competitive behaviour and abuses of market power.
15. Continued monitoring and enforcement of competition policy to ensure that individual stakeholder or sector interests do not override the public interest.
16. The Australian Competition and Consumer Commission (ACCC) to have the powers and resources to prevent the formation of monopolies through 'creeping acquisitions', and to divest monopolies and oligopolies of assets if they are abusing their market power.
17. Amendment of all relevant legislation to ensure the directors of phoenix companies and the new entities themselves can be pursued for outstanding liabilities.
18. Increased exposure and, where necessary, prosecution of Australian-based companies and their directors for breaches overseas of human rights, tax evasion or industrial or environmental law.

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19. Measures to reduce excessive executive salaries.
20. Affirmative action targets for more diversity on corporate and government boards.
21. A requirement that all large companies, resources companies, and the financial sector report their exposure to carbon risk using uniform standards.
22. At least a third of members of the board of medium and large corporations to be employees or their representatives.