



## **PUBLIC TRANSPARENCY REPORT**

**2023**

**AustralianSuper**

Generated 15-12-2023

# About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors.

PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The public Transparency Reports, which are produced using signatories' reported information, provide accountability and support signatories to have internal discussions about their practices and to discuss these with their clients, beneficiaries, and other stakeholders.

This public Transparency Report is an export of the signatory's responses to the PRI Reporting Framework during the 2023 reporting period. It includes the signatory's responses to core indicators, as well as responses to plus indicators that the signatory has agreed to make public.

In response to signatory feedback, the PRI has not summarised signatories' responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options selected by the signatory are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

## Disclaimers

### Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

### Data accuracy

This document presents information reported directly by signatories in the 2023 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

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# SENIOR LEADERSHIP STATEMENT (SLS)

## SENIOR LEADERSHIP STATEMENT

### SENIOR LEADERSHIP STATEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

#### Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

AustralianSuper engages in responsible investment, as we believe companies with good environmental, social and governance management provide better long-term investment returns for members.

Our purpose is to help members achieve their best financial position in retirement. For AustralianSuper, investing responsibly means being active as an investor and steward on ESG issues, with the aim of creating better long-term financial outcomes for members. AustralianSuper considers a range of ESG issues but prioritises those which we believe are likely to have the greatest financial impact on members' investment returns. These issues can include climate change, workforce, board effectiveness and remuneration. Our approach is more developed on some issues than others and may vary depending on the asset.

AustralianSuper is a long-standing supporter of the Principles for Responsible Investment, becoming a signatory in 2007. Our approach to responsible investment, which is undertaken via our ESG & Stewardship program, supports the six PRI principles.

Our ESG & Stewardship program has three pillars:

1. Integration: Integrating ESG considerations when deciding which assets and companies to invest in and assessing their investment value.

2. Stewardship: Exercising our rights and responsibilities as an asset owner to seek positive management of ESG issues that we believe can impact members' investment returns.
3. Choice: Considering members' values in the investment choices we offer.

AustralianSuper has a large, dedicated ESG & Stewardship team who work with the Fund's investment teams to integrate our ESG & Stewardship program into our investment decision making and stewardship processes. The application of our ESG & Stewardship program varies by asset class and doesn't apply to all asset classes. It also varies based on the characteristics of our investment, including whether we're investing directly or through external managers, or whether our investment is actively or passively held. Activities within our ESG & Stewardship program are prioritised towards the companies and assets we invest in directly. Direct ownership provides us with oversight of our assets, including on ESG issues. As we often have large ownership stakes, we can have greater ownership and governance rights and opportunities to engage with the board and other key decision makers in these companies. Activities can include integration of ESG factors into our investment decision-making, engagement with company boards and management and consideration of and voting on company and shareholder resolutions. The ESG & Stewardship team also performs a range of ESG advocacy, collaboration and reporting activities.

AustralianSuper participates in collaborative investor initiatives in which it holds a number of key leadership roles. These initiatives are an important mechanism for amplifying the Fund's voice on ESG issues by collaborating with a larger group of investors

AustralianSuper's commitment to responsible investment is demonstrated through actions such as our:

- commitment to achieve net zero carbon emissions by 2050 in the investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments), made in Nov 2020
- founding membership of Climate Action 100+, the world's largest investor-led engagement initiative with more than 700 investor signatories globally
- board membership of the Investor Group on Climate Change
- board membership of the Institutional Investors Group on Climate Change and co-authored the 'Building Resilience to a Changing Climate: Investor Expectations of Companies on Physical Climate Risks and Opportunities' Report
- joint establishment of the Sustainable Development Investments Asset Owners Platform in 2020
- membership of the Australian Council of Superannuation Investors Board and Member Advisory Council
- founding membership and board membership of the Cleaning Accountability Framework, which aims to improve labour practices for workers in the cleaning industry
- founding membership of Investors Against Slavery and Trafficking Asia Pacific, and co-chair of the engagement workstream
- signing of UNPRI Statement of Investor Commitment to Support a Just Transition on Climate Change and support for a National Energy Transition Authority in Australia
- completion of the Fund's three-year founding partnership with the Australian Industry Energy Transitions Initiative in Nov 2022
- advocacy for the strengthening of the operation of the Australian Modern Slavery Act through our submission to the Review of the Act
- support for the Investor Agenda's 2022 Global Investor Statement to Governments on the Climate Crisis
- support for the development and implementation of sustainability and climate related disclosures, by making a submission to the ISSB and Australian Standards Board on the IFRS Exposure Drafts on General Sustainability-related Disclosures and Climate-related Disclosure

## Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
  - refinement of ESG analysis and incorporation
  - stewardship activities with investees and/or with policymakers
  - collaborative engagements
  - attainment of responsible investment certifications and/or awards

#### Climate change

Climate change presents risks and opportunities for investments in our portfolio. In November 2020, AustralianSuper made a commitment to achieve net zero carbon emissions by 2050 in its investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). Our ability to achieve the net zero commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments.

We're monitoring our progress towards our net zero commitment through carbon footprinting analysis. Our analysis at 30 June 2022 measures the current and estimated 2050 emissions (scope 1 and scope 2) of approximately 65% of our investment portfolio, including investments in the Australian shares, international shares, unlisted and listed property, and unlisted and listed infrastructure asset classes (see disclaimer 1).

The analysis (see disclaimer 2) shows that:

- Emissions are concentrated in a small number of companies. Five companies in our internally managed fundamental portfolios in the Australian shares asset class are responsible for 85% of current emissions in those portfolios.
- For our internally managed fundamental portfolios in the international shares asset class, our emissions are concentrated with one company accounting for 85% of emissions.
- Investee companies responsible for 88% of emissions in our internally managed fundamental portfolios in the Australian shares asset class have made net zero by 2050 commitments.
- the carbon intensity of these portfolios is estimated to reduce from their current 84.8 tonnes of CO<sub>2</sub>e emissions per million AUD invested to 10.1 tonnes of CO<sub>2</sub>e emissions per million AUD invested in 2050 based on the emissions reduction commitments made by investee companies.

Our internally managed fundamental portfolios represented around 80% of the Australian shares asset class, and around 20% of the international shares asset class as at 30 June 2022.

We focus our direct stewardship activities on the major contributors to emissions within these portfolios. We are asking that they develop credible plans to achieve their net zero goals. AustralianSuper also engages with Australian and international companies through collaborative initiatives such as ACSI, Climate Change 100+ and via our subscription to Equity Ownership Services at Federated Hermes. The Fund's Head of ESG and Stewardship commenced a six-month rotation as global chair of Climate Action 100+ in 2022.

#### Stewardship approach

Stewardship is a core pillar of our ESG and Stewardship program. As Australia's largest super fund, AustralianSuper has large, direct ownership stakes in many companies and assets. This affords us governance rights and opportunities, including the appointment of AustralianSuper nominated board directors on certain unlisted assets and access to boards and key decision makers in ASX-listed companies.

For Australian listed companies in our internally managed fundamental portfolios we have an engagement program where we discuss material ESG issues with company management and Boards. The Fund conducts periodic ESG specific engagements with larger, direct assets in the unlisted property and unlisted infrastructure asset classes. In 2022, we commenced a training program, which includes ESG topics, for AustralianSuper appointed non-executive directors on the Boards of portfolio companies where we have the right to nominate one or more director.

AustralianSuper develops ownership plans for certain directly owned assets. Ownership plans are developed in consultation with the Australian equities team for companies in our internally managed fundamental portfolios in the Australian shares asset class prior to investment and updated during our ownership. They are developed post-acquisition for assets in the internally managed portfolios in the unlisted property and unlisted infrastructure asset classes. They seek to identify material issues which may impact valuation, including key ESG issues; assess company disclosure and management of material issues and identify key stakeholders. The plans incorporate our internal assessment of company management of, and disclosure related to, material ESG issues, and are largely based on company disclosures and public information.

AustralianSuper is recognised as a Responsible Investment Leader 2022 by Responsible Investment Association Australasia (RIAA). Responsible Investment Leaders refers to investment managers and asset owners that achieve a score of 15 out of 20 or above on RIAA's Responsible Investment Scorecard.

For more information, see [responsibleinvestment.org/responsibleinvestment-leaders](https://responsibleinvestment.org/responsibleinvestment-leaders)

### Section 3. Next steps

- What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

AustralianSuper is committed to advancing its responsible investment practices through a range of initiatives, including:

- expanding the geographical reach and knowledge base of the ESG and Stewardship team. We currently have three team members located in UK/Europe and have appointed a dedicated workforce specialist in Australia.
- continued collaboration with global investor networks including PRI, Climate Action 100+, IAST APAC, ACSI, IGCC and IIGCC.
- continuing to evolve our approach to managing climate change and the Net Zero 2050 transition in the investment portfolio.
- continuing to measure and expand our carbon footprinting and forward-looking net zero trajectory modelling.
- supporting the development of Australian climate reporting standards, including communicating our views from an asset owner perspective in the Australian Government's second consultation on climate-related financial disclosures and seeking engagement opportunities.
- continuing to engage in relevant policy consultations to advocate for positive outcomes on systemic ESG issues.
- participation in sustainable finance policy roundtables such as those facilitated by PRI in early 2023.
- continuing to measure and report the contributions of our investments to the Sustainable Development Goals in asset classes covered by the SDI-AOP.
- integrating the findings of our Fair Supply modern slavery assessments into our ownership plans and stewardship strategies for high-risk industries in directly held assets in the unlisted property, unlisted infrastructure and internally managed fundamental portfolios in the Australian shares and international shares asset classes.
- evolving our ESG and Stewardship program as needed to support AustralianSuper in delivering its investment objectives.

### Section 4. Endorsement

**'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.**

Name

Paul Schroder

Position

Chief Executive

Organisation's Name

AustralianSuper

A

'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework.

The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.

B

This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework.

The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions.

Disclaimers for Section 2:

1 Asset classes AustralianSuper has measured as at 30 June 2022. Coverage rates for each asset class vary subject to data availability. Excludes transition accounts, equitised cash accounts, unlisted infrastructure accounts being divested or wound down, and overlays. Unlisted property excludes non-operational assets. Asset classes we have not measured at this date include private equity, credit, fixed interest and cash.

2 This data is based on holdings as at 30 June 2022. AustralianSuper has calculated the portfolio emissions based on the proportion that we own of the market capitalisation of each company and their reported or estimated scope 1 and 2 emissions, as sourced from our research provider. Emissions data covers approximately 97% of the value of our internally managed fundamental portfolios in the Australian shares asset class and approximately 98% of the value of our internally managed fundamental international shares portfolios. The projected future carbon intensity of the portfolio represents our best estimate of 2050 portfolio emissions based on publicly available information on company commitments. By its nature the underlying data is uncertain and may be subject to revision.



# ORGANISATIONAL OVERVIEW (OO)

## ORGANISATIONAL INFORMATION

### REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	31	12	2022

## SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL

Does your organisation have subsidiaries?

- (A) Yes
- (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2.1	CORE	OO 2	OO 2.2	PUBLIC	Subsidiary information	GENERAL

Are any of your organisation's subsidiaries PRI signatories in their own right?

- (A) Yes
- (B) No

## ASSETS UNDER MANAGEMENT

### ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

USD

(A) AUM of your organisation, including subsidiaries, and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 178,554,838,073.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]

US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only

US\$ 0.00

### ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PUBLIC	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	>10-50%	>10-50%
(B) Fixed income	>0-10%	>0-10%
(C) Private equity	>0-10%	>0-10%
(D) Real estate	>0-10%	>0-10%
(E) Infrastructure	>0-10%	>0-10%
(F) Hedge funds	0%	0%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	>0-10%	>10-50%
(J) Off-balance sheet	0%	0%

**(I) Other - (1) Percentage of Internally managed AUM - Specify:**

Includes Cash, Strategic, and other option asset classes

**(I) Other - (2) Percentage of Externally managed AUM - Specify:**

Includes Cash, Strategic, and other option asset classes

## ASSET BREAKDOWN: EXTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.1	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a further breakdown of your organisation's externally managed listed equity and/or fixed income AUM.

	(1) Listed equity	(2) Fixed income - SSA	(3) Fixed income - corporate	(4) Fixed income - securitised	(5) Fixed income - private debt
(A) Active	>75%	>10-50%	>10-50%	>10-50%	>0-10%
(B) Passive	>10-50%	0%	0%		

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2	CORE	OO 5, OO 5.1	SAM 3, SAM 8	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a breakdown of your organisation's externally managed AUM between segregated mandates and pooled funds or investments.

	(1) Segregated mandate(s)	(2) Pooled fund(s) or pooled investment(s)
(A) Listed equity - active	>75%	0%
(B) Listed equity - passive	>75%	0%
(C) Fixed income - active	>75%	0%
(E) Private equity	>75%	0%
(F) Real estate	0%	>75%
(G) Infrastructure	0%	>75%

## ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 LE	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed listed equity	GENERAL

**Provide a further breakdown of your internally managed listed equity AUM.**

(A) Passive equity >0-10%

(B) Active – quantitative >10-50%

(C) Active – fundamental >75%

(D) Other strategies >0-10%

**(D) Other strategies - Specify:**

Internally managed transition accounts

## ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 FI	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed fixed income	GENERAL

**Provide a further breakdown of your internally managed fixed income AUM.**

(A) Passive – SSA 0%

(B) Passive – corporate 0%

(C) Active – SSA >75%

(D) Active – corporate >0-10%

(E) Securitised 0%

(F) Private debt >10-50%

## ASSET BREAKDOWN: INTERNALLY MANAGED PRIVATE EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 PE	CORE	OO 5	N/A	PUBLIC	Asset breakdown: Internally managed private equity	GENERAL

**Provide a further breakdown of your internally managed private equity AUM.**

(A) Venture capital >0-10%

(B) Growth capital 0%

(C) (Leveraged) buy-out >75%

(D) Distressed, turnaround or  
special situations 0%

(E) Secondaries 0%

(F) Other 0%

## ASSET BREAKDOWN: INTERNALLY MANAGED REAL ESTATE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 RE	CORE	OO 5	N/A	PUBLIC	Asset breakdown: Internally managed real estate	GENERAL

**Provide a further breakdown of your internally managed real estate AUM.**

(A) Retail >10-50%

(B) Office >0-10%

(C) Industrial	>10-50%
(D) Residential	>0-10%
(E) Hotel	0%
(F) Lodging, leisure and recreation	0%
(G) Education	0%
(H) Technology or science	0%
(I) Healthcare	0%
(J) Mixed use	>50-75%
(K) Other	0%

## ASSET BREAKDOWN: INTERNALLY MANAGED INFRASTRUCTURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 INF	CORE	OO 5	N/A	PUBLIC	Asset breakdown: Internally managed infrastructure	GENERAL

**Provide a further breakdown of your internally managed infrastructure AUM.**

(A) Data infrastructure	>10-50%
(B) Diversified	>0-10%
(C) Energy and water resources	0%
(D) Environmental services	0%
(E) Network utilities	>0-10%

(F) Power generation (excl. renewables)	0%
(G) Renewable power	0%
(H) Social infrastructure	0%
(I) Transport	>75%
(J) Other	0%

## MANAGEMENT BY PRI SIGNATORIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6	CORE	OO 5	N/A	PUBLIC	Management by PRI signatories	GENERAL

What percentage of your organisation's externally managed assets are managed by PRI signatories?

>75%

## GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

How much of your AUM in each asset class is invested in emerging markets and developing economies?

### AUM in Emerging Markets and Developing Economies

(A) Listed equity	(2) >0 to 10%
(B) Fixed income – SSA	(2) >0 to 10%
(C) Fixed income – corporate	(2) >0 to 10%



(D) Fixed income – securitised (2) >0 to 10%

(E) Fixed income – private debt (1) 0%

(F) Private equity (2) >0 to 10%

(G) Real estate (2) >0 to 10%

(H) Infrastructure (2) >0 to 10%

## STEWARDSHIP

### STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

	(1) Listed equity - active	(2) Listed equity - passive	(3) Fixed income - active	(5) Private equity
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	(6) Real estate	(7) Infrastructure	(11) Other
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?

	(1) Listed equity - active	(2) Listed equity - passive
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct (proxy) voting	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9.1	CORE	OO 9	PGS 10.1, PGS 31	PUBLIC	Stewardship: (Proxy) voting	GENERAL

For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?

Percentage of your listed equity holdings over which you have the discretion to vote

(A) Listed equity – active (12) 100%

(B) Listed equity - passive (12) 100%

## ESG INCORPORATION

### INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

For each internally managed asset class, does your organisation incorporate ESG factors into your investment decisions?

(1) Yes, we incorporate ESG factors into our investment decisions

(2) No, we do not incorporate ESG factors into our investment decisions

(A) Listed equity - passive

(B) Listed equity - active - quantitative

(C) Listed equity - active - fundamental

(D) Listed equity - other strategies

(E) Fixed income - SSA	<input type="radio"/>	<input checked="" type="radio"/>
(F) Fixed income - corporate	<input checked="" type="radio"/>	<input type="radio"/>
(H) Fixed income - private debt	<input checked="" type="radio"/>	<input type="radio"/>
(I) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(J) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(K) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(V) Other: Includes Cash. Strategic, and other option asset classes	<input checked="" type="radio"/>	<input type="radio"/>

## EXTERNAL MANAGER SELECTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager selection	1

**For each externally managed asset class, does your organisation incorporate ESG factors when selecting external investment managers?**

	(1) Yes, we incorporate ESG factors when selecting external investment managers	(2) No, we do not incorporate ESG factors when selecting external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>

(G) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Includes Cash. Strategic, and other option asset classes	<input checked="" type="radio"/>	<input type="radio"/>

## EXTERNAL MANAGER APPOINTMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager appointment	1

**For each externally managed asset class, does your organisation incorporate ESG factors when appointing external investment managers?**

	(1) Yes, we incorporate ESG factors when appointing external investment managers	(2) No, we do not incorporate ESG factors when appointing external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(G) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Includes Cash. Strategic, and other option asset classes	<input checked="" type="radio"/>	<input type="radio"/>

## EXTERNAL MANAGER MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager monitoring	1

For each externally managed asset class, does your organisation incorporate ESG factors when monitoring external investment managers?

	(1) Yes, we incorporate ESG factors when monitoring external investment managers	(2) No, we do not incorporate ESG factors when monitoring external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(G) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Includes Cash. Strategic, and other option asset classes	<input checked="" type="radio"/>	<input type="radio"/>

## ESG IN OTHER ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 15	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG in other asset classes	1

### Describe how your organisation incorporates ESG factors into the following asset classes.

Internally managed  
(C) Other

Australian and international equities asset classes

Prior to investing in an Australian listed company, we conduct due diligence to identify ESG issues that can impact the value of the company. We run red flag reports to identify material ESG issues and integrate the findings into our Key Value Driver assessments which inform our investment valuations and decision to invest. We have developed ownership plans for our larger holdings in these portfolios, which incorporate our assessment of how companies are managing these issues, their disclosure and stakeholder management approach. We also identify the stewardship actions we expect to undertake to address these issues during the ownership phase.

For international listed companies, we conduct an ESG due diligence assessment to identify material ESG issues and integrate the findings into the overall assessments which inform our investment valuations and decision to invest. We are developing ownership plans for the international listed companies we invest in.

Property and infrastructure asset classes

For direct property and infrastructure assets, we conduct ESG assessments based on the materiality of the key ESG risks and opportunities that can impact returns. As a starting point, we use our internally developed ESG risk matrix to identify the materiality of each risk for each asset or company. As part of the due diligence process, as more information regarding each risk / opportunity becomes available we evaluate such information and consider available mitigating factors. We then assign a risk rating to each risk based on the likelihood of it occurring and its valuation impact and, identify gaps or improvements that can be managed in the ownership phase if we decide to buy the asset.

Prior to acquisition, the ESG and Stewardship team has a representative on the transaction team for larger direct infrastructure and property transactions to undertake the ESG due diligence assessment of the asset. Once the investment is made, ownership actions are developed by the ESG & Stewardship team and built into the ownership and engagement plan for the asset.

Private Credit

we conduct ESG assessments based on the materiality of the key ESG risks and opportunities that can impact returns. As a starting point, we use our internally developed ESG risk matrix to identify the materiality of each risk for each asset or company. As part of the due diligence process, as more information regarding each risk / opportunity becomes available we evaluate such information and consider available mitigating factors. We then assign a risk rating to each risk based on the likelihood of it occurring and its valuation impact.

Externally managed  
(F) Other

Externally managed

AustralianSuper does not directly assess assets and companies in which it invests via an external manager. ESG integration in these cases is based on assessment of the external manager ESG practices.

We assess how potential new investment managers identify and manage ESG considerations during our appointment process. We also send questionnaires on an annual basis to assess how external managers identify and manage ESG issues. Our annual ESG assessments of listed equities, infrastructure, property, and private equity managers feed into our investment view of the manager.

## ESG NOT INCORPORATED

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 16	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG not incorporated	1

**Describe why your organisation does not currently incorporate ESG factors into your investment decisions.**

Internally managed  
(E) Fixed income – SSA

It has been difficult to assessment materiality of ESG factors in the investment decision-making process to date. This is a key strategic priority for CY23.

## ESG STRATEGIES

### LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 LE	CORE	OO 11	OO 17.1 LE, LE 12	PUBLIC	Listed equity	1

**Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?**

#### Percentage out of total internally managed active listed equity

(A) Screening alone	0%
(B) Thematic alone	0%
(C) Integration alone	0%
(D) Screening and integration	>75%



(E) Thematic and integration	0%
(F) Screening and thematic	0%
(G) All three approaches combined	0%
(H) None	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 LE	CORE	OO 17 LE	LE 9	PUBLIC	Listed equity	1

**What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?**

**Percentage coverage out of your total listed equity assets where a screening approach is applied**

(A) Positive/best-in-class screening only	0%
(B) Negative screening only	>75%
(C) A combination of screening approaches	0%

## FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 FI	CORE	OO 5.3 FI, OO 11	Multiple, see guidance	PUBLIC	Fixed income	1

**Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?**

**(2) Fixed income - corporate**

(A) Screening alone	>75%
(B) Thematic alone	0%
(C) Integration alone	0%
(D) Screening and integration	0%
(E) Thematic and integration	0%
(F) Screening and thematic	0%
(G) All three approaches combined	0%
(H) None	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 FI	CORE	OO 17 FI	N/A	PUBLIC	Fixed income	1

**What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?**

**(2) Fixed income - corporate**

(A) Positive/best-in-class screening only	0%
(B) Negative screening only	>75%
(C) A combination of screening approaches	0%

## ESG/SUSTAINABILITY FUNDS AND PRODUCTS

### LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PUBLIC	Labelling and marketing	1

**Do you explicitly market any of your products and/or funds as ESG and/or sustainable?**

(A) Yes, we market products and/or funds as ESG and/or sustainable

Provide the percentage of AUM that your ESG and/or sustainability-marketed products or funds represent:

>0-10%

- (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
- (C) Not applicable; we do not offer products or funds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.1	CORE	OO 18	OO 18.2	PUBLIC	Labelling and marketing	1

**Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?**

- (A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications
- (B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications

### PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 19	CORE	OO 5.3 FI, OO 11	LE 8, FI 10	PUBLIC	Passive investments	1

**What percentage of your total internally managed passive listed equity and/or fixed income passive AUM utilise an ESG index or benchmark?**

## Percentage of AUM that utilise an ESG index or benchmark

(A) Listed equity - passive 0%

## SUMMARY OF REPORTING REQUIREMENTS

### SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Confidence Building Measures	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(T) External manager selection, appointment and monitoring (SAM) – listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(U) External manager selection, appointment and monitoring (SAM) – listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(V) External manager selection, appointment and monitoring (SAM) – fixed income - active	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

(X) External manager selection, appointment and monitoring (SAM) – private equity	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(Y) External manager selection, appointment and monitoring (SAM) – real estate	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(Z) External manager selection, appointment and monitoring (SAM) – infrastructure	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

## SUBMISSION INFORMATION

### REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- (A) Publish as absolute numbers
- (B) Publish as ranges

# POLICY, GOVERNANCE AND STRATEGY (PGS)

## POLICY

### RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

- (A) Overall approach to responsible investment
- (B) Guidelines on environmental factors
- (C) Guidelines on social factors
- (D) Guidelines on governance factors
- (E) Guidelines on sustainability outcomes
- (F) Guidelines tailored to the specific asset class(es) we hold
- (G) Guidelines on exclusions
- (H) Guidelines on managing conflicts of interest related to responsible investment
- (I) Stewardship: Guidelines on engagement with investees

- (J) Stewardship: Guidelines on overall political engagement
  - (K) Stewardship: Guidelines on engagement with other key stakeholders
  - (L) Stewardship: Guidelines on (proxy) voting
  - (M) Other responsible investment elements not listed here
- Specify:

Class Actions; ESG Policy review procedures

- (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

**Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?**

- (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
- (B) Specific guidelines on human rights (may be part of guidelines on social factors)
- (C) Specific guidelines on other systematic sustainability issues
- (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

**Which elements of your formal responsible investment policy(ies) are publicly available?**

- (A) Overall approach to responsible investment

Add link:

<https://www.australiansuper.com/-/media/australian-super/files/investments/how-we-invest/esg-management/australiansuper-esg-and-stewardship-policy.pdf>

- (B) Guidelines on environmental factors

Add link:

<https://www.australiansuper.com/investments/how-we-invest/esg-management>

- (C) Guidelines on social factors

Add link:

<https://www.australiansuper.com/-/media/australian-super/files/about-us/other-reports/modern-slavery-report-fy22.pdf>

- (D) Guidelines on governance factors

Add link:

<https://www.australiansuper.com/-/media/australian-super/files/about-us/governance/share-voting-approach.pdf>

**(F) Specific guidelines on climate change (may be part of guidelines on environmental factors)**

Add link:

<https://www.australiansuper.com/investments/how-we-invest/climate-change>

**(J) Guidelines on exclusions**

Add link:

<https://www.australiansuper.com/-/media/australian-super/files/investments/how-we-invest/esg-management/australiansuper-esg-and-stewardship-policy.pdf>

**(L) Stewardship: Guidelines on engagement with investees**

Add link:

<https://www.australiansuper.com/-/media/australian-super/files/investments/how-we-invest/esg-management/australiansuper-esg-and-stewardship-policy.pdf>

**(M) Stewardship: Guidelines on overall political engagement**

Add link:

<https://www.australiansuper.com/investments/how-we-invest/esg-management>

**(O) Stewardship: Guidelines on (proxy) voting**

Add link:

<https://www.australiansuper.com/-/media/australian-super/files/about-us/governance/share-voting-approach.pdf>

**(P) Other responsible investment aspects not listed here**

Add link:

<https://www.australiansuper.com/-/media/australian-super/files/investments/how-we-invest/esg-management/australiansuper-esg-and-stewardship-policy.pdf>

- (Q) No elements of our formal responsible investment policy(ies) are publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 4	PLUS	PGS 1	N/A	PUBLIC	Responsible investment policy elements	1 – 6

**Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?**

**(A) Yes**

Elaborate:

It is AustralianSuper's belief that ESG factors and our stewardship actions can affect the value of investments, particularly over the long-term investment horizon which applies to the Fund's objectives. The objective of our ESG and Stewardship Policy is to ensure that ESG investment risks and opportunities are integrated into our investment processes, and to guide the Fund's stewardship activities to promote long-term value for our members.

As a long-term owner, the Fund takes an active interest in the quality of the corporate governance, sustainability and corporate social responsibility policies and practices of its investments. We believe that companies that best manage ESG factors are likely to out-perform over the long term.

The Fund's ESG and Stewardship Policy is integral to fostering the Fund's reputation as a global investor of choice which can expand investment opportunities.

- (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

**Which elements are covered in your organisation's policy(ies) or guidelines on stewardship?**

- (A) Overall stewardship objectives
- (B) Prioritisation of specific ESG factors to be advanced via stewardship activities
- (C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts
- (D) How different stewardship tools and activities are used across the organisation
- (E) Approach to escalation in stewardship
- (F) Approach to collaboration in stewardship
- (G) Conflicts of interest related to stewardship
- (H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa
- (I) Other
- (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 6	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

**Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?**

- (A) Yes, it includes voting principles and/or guidelines on specific environmental factors
- (B) Yes, it includes voting principles and/or guidelines on specific social factors
- (C) Yes, it includes voting principles and/or guidelines on specific governance factors
- (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 7	CORE	OO 9	N/A	PUBLIC	Responsible investment policy elements	2

Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?

- (A) We have a publicly available policy to address (proxy) voting in our securities lending programme
- (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
- (C) We rely on the policy of our external service provider(s)
- (D) We do not have a policy to address (proxy) voting in our securities lending programme
- (E) Not applicable; we do not have a securities lending programme

## RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

### Combined AUM coverage of all policy elements

(A) Overall approach to responsible investment	
(B) Guidelines on environmental factors	(7) 100%
(C) Guidelines on social factors	
(D) Guidelines on governance factors	

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?

**AUM coverage**

(A) Specific guidelines on climate change

(1) for all of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?

(A) Listed equity

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

(11) 100%

(B) Fixed income

(C) Private equity

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

**(D) Real estate**

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%**
- (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

**(E) Infrastructure**

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%**
- (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

(I) Other

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10.1	CORE	OO 9.1, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

**What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?**

**(A) Actively managed listed equity**

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%**

**(B) Passively managed listed equity**

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

## GOVERNANCE

### ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

**Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?**

- (A) Board members, trustees, or equivalent
- (B) Senior executive-level staff, or equivalent

Specify:

CIO

- (C) Investment committee, or equivalent

Specify:

Investment Committee

- (D) Head of department, or equivalent

Specify department:

Head of Investments Group Management

- (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

**Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?**

	(1) Board members, trustees, or equivalent	(2) Senior executive-level staff, investment committee, head of department, or equivalent
(A) Overall approach to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Guidelines on environmental, social and/or governance factors	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Guidelines on exclusions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(K) Stewardship: Guidelines on overall political engagement	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(M) Stewardship: Guidelines on (proxy) voting	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

**Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?**

- (A) Yes
- (B) No

Explain why:

AustralianSuper seeks to advocate sustainable and equitable public policy in superannuation and financial services. To this end we engage in advocacy, liaison and write public submissions to Government and Regulators such as APRA, ASIC and the ATO. We also work in industry associations related to the superannuation and investment spaces. To that end, we do not have a formal governance process to assure alignment to the principles of the PRI but do have structures to assure alignment of our political engagement to our organizational purpose which is to help members achieve their best financial position in retirement.

- (C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

**In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?**

- (A) Internal role(s)

Specify:

ESG and Stewardship Team

- (B) External investment managers, service providers, or other external partners or suppliers
- (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?**

- (A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent
- (B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Explain why: (Voluntary)

Evaluation of executive leadership is grounded in the five parameters that drive the Fund's strategy. Of those, investment performance is a key one. We believe companies with good Environmental, Social and Governance (ESG) management provide better long-term returns and therefore, investment performance outcomes will intrinsically include responsible investment outcomes.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?**

- (A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)
- (B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Explain why: (Voluntary)

We believe companies with good Environmental, Social and Governance (ESG) management provide better long-term returns and therefore, investment performance outcomes will intrinsically include responsible investment outcomes. Investment performance KPI's are included in senior-executive KPI's.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 15	PLUS	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**What responsible investment competencies do you regularly include in the training of senior-level body(ies) or role(s) in your organisation?**

	(1) Board members, trustees or equivalent	(2) Senior executive-level staff, investment committee, head of department or equivalent
(A) Specific competence in climate change mitigation and adaptation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Specific competence in investors' responsibility to respect human rights	<input type="checkbox"/>	<input type="checkbox"/>

(C) Specific competence in other systematic sustainability issues

(D) The regular training of this senior leadership role does not include any of the above responsible investment competencies

## EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

- (A) Any changes in policies related to responsible investment
- (B) Any changes in governance or oversight related to responsible investment
- (C) Stewardship-related commitments
- (D) Progress towards stewardship-related commitments
- (E) Climate-related commitments
- (F) Progress towards climate-related commitments
- (G) Human rights-related commitments
- (H) Progress towards human rights-related commitments
- (I) Commitments to other systematic sustainability issues
- (J) Progress towards commitments on other systematic sustainability issues
- (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

- (A) Yes, including all governance-related recommended disclosures
- (B) Yes, including all strategy-related recommended disclosures
- (C) Yes, including all risk management-related recommended disclosures
- (D) Yes, including all applicable metrics and targets-related recommended disclosures
- (E) None of the above



Add link(s):

<https://www.australiansuper.com/investments/how-we-invest/climate-change>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 18	PLUS	N/A	N/A	PUBLIC	External reporting and disclosures	6

**During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?**

- (A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)
- (B) Disclosures against the European Union's Taxonomy
- (C) Disclosures against the CFA's ESG Disclosures Standard

**(D) Disclosures against other international standards, frameworks or regulations**

Specify:

Australian Modern Slavery Act

Link to example of public disclosures

<https://www.australiansuper.com/-/media/australian-super/files/about-us/other-reports/modern-slavery-report-fy22.pdf>

**(E) Disclosures against other international standards, frameworks or regulations**

Specify:

Australian Asset Owner Stewardship Code

Link to example of public disclosures

<https://www.australiansuper.com/-/media/australian-super/files/investments/how-we-invest/esg-management/australiansuper-stewardship-statement.pdf>

**(F) Disclosures against other international standards, frameworks or regulations**

Specify:

Australian Government's Voluntary Tax Transparency Code

Link to example of public disclosures

<https://www.australiansuper.com/-/media/australian-super/files/about-us/other-reports/tax-transparency-report-2022.pdf>

**(G) Disclosures against other international standards, frameworks or regulations**

Specify:

Annual Report aligned to Global Reporting Initiative standards

Link to example of public disclosures

<https://www.australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2022-annual-report.pdf>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

**During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?**

**(A) Yes, we publicly disclosed our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement**

Add link(s):

<https://www.australiansuper.com/investments/how-we-invest/esg-management>

<https://www.australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2022-annual-report.pdf>

<https://www.australiansuper.com/about-us/policy-submissions>

- (B) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- (C) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

## STRATEGY

### CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

**Which elements do your organisation-level exclusions cover?**

- (A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services**
- (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries
- (C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact
- (D) Exclusions based on our organisation's climate change commitments
- (E) Other elements
- (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

**How does your responsible investment approach influence your strategic asset allocation process?**

- (A) We incorporate ESG factors into our assessment of expected asset class risks and returns
- (B) We incorporate climate change–related risks and opportunities into our assessment of expected asset class risks and returns**
  - Select from dropdown list:
    - (1) for all of our AUM subject to strategic asset allocation
    - (2) for a majority of our AUM subject to strategic asset allocation**
    - (3) for a minority of our AUM subject to strategic asset allocation
- (C) We incorporate human rights–related risks and opportunities into our assessment of expected asset class risks and returns
- (D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns
  - (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns
  - (F) Not applicable; we do not have a strategic asset allocation process

**STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?**

(1) Listed equity      (2) Fixed income      (3) Private equity      (4) Real estate      (5) Infrastructure

(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.

                      

(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.

                      

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 23	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation, or the external service providers or external managers acting on your behalf, prioritise the investees or other entities on which to focus its stewardship efforts?

N/A

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?

- (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible
- (B) We collaborate on a case-by-case basis
- (C) Other
- (D) We do not join collaborative stewardship efforts

## STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 29	CORE	OO 9, PGS 1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?**

**(A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes**

Select from the below list:

- (1) in all cases**
- (2) in a majority of cases
- (3) in a minority of cases

**(B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear**

Select from the below list:

- (1) in all cases
- (2) in a majority of cases**
- (3) in a minority of cases
- (D) We do not review external service providers' voting recommendations
- (E) Not applicable; we do not use external service providers to give voting recommendations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 30	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**How is voting addressed in your securities lending programme?**

- (A) We recall all securities for voting on all ballot items
- (B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting**

Provide details on these criteria:

Prioritization of recalls of securities of companies in our internally-managed portfolios and for securities in external manager portfolios where the vote is deemed controversial

- (C) Other
- (D) We do not recall our securities for voting purposes
- (E) Not applicable; we do not have a securities lending programme

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 31	CORE	OO 9.1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?

- (A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment
- (B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal
- (C) We vote in favour of shareholder resolutions only as an escalation measure
- (D) We vote in favour of the investee company management's recommendations by default
- (E) Not applicable; we do not vote on shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 32	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?

- (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database
- (B) We pre-declared our voting intentions publicly by other means, e.g. through our website
- (C) We privately communicated our voting decision to investee companies prior to the AGM/EGM
- (D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM
- (E) Not applicable; we did not cast any (proxy) votes during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33	CORE	OO 9	PGS 33.1	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?

- (A) Yes, for all (proxy) votes

Add link(s):

<https://www.australiansuper.com/investments/how-we-invest/esg-management>

- (B) Yes, for the majority of (proxy) votes
- (C) Yes, for a minority of (proxy) votes
- (D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33.1	CORE	PGS 33	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?**

- (A) Within one month of the AGM/EGM
- (B) Within three months of the AGM/EGM
- (C) Within six months of the AGM/EGM
- (D) Within one year of the AGM/EGM
- (E) More than one year after the AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 34	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?**

**(1) In cases where we abstained or voted against management recommendations**

**(2) In cases where we voted against an ESG-related shareholder resolution**

(A) Yes, we publicly disclosed the rationale

(B) Yes, we privately communicated the rationale to the company

(2) for a majority of votes

(2) for a majority of votes

(C) We did not publicly or privately communicate the rationale, or we did not track this information

o

o

(D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year

o

o

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 35	PLUS	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**How does your organisation ensure vote confirmation, i.e. that your votes have been cast and counted correctly?**

We assure our votes are cast appropriate through voting confirmation emails from our voting platforms. We then subsequently check into the platform to assure the vote is submitted. Where the vote is considered significant, we then confirm receipt with our custodian and / or the company itself.

However, despite best efforts, we recognize that the proxy voting process still presents issues and discrepancies. AS such, we try to vote in as timely a manner as possible to assure any hiccups in the process are resolved.

**STEWARDSHIP: ESCALATION**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 36	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Escalation	2

**For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?**



(1) Listed equity

(A) Joining or broadening an existing collaborative engagement or creating a new one	<input checked="" type="checkbox"/>
(B) Filing, co-filing, and/or submitting a shareholder resolution or proposal	<input type="checkbox"/>
(C) Publicly engaging the entity, e.g. signing an open letter	<input checked="" type="checkbox"/>
(D) Voting against the re-election of one or more board directors	<input checked="" type="checkbox"/>
(E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director	<input type="checkbox"/>
(F) Divesting	<input checked="" type="checkbox"/>
(G) Litigation	<input type="checkbox"/>
(H) Other	<input type="checkbox"/>
(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 37	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

- (A) Joining or broadening an existing collaborative engagement or creating a new one
- (B) Publicly engaging the entity, e.g. signing an open letter
- (C) Not investing
- (D) Reducing exposure to the investee entity
- (E) Divesting
- (F) Litigation
- (G) Other

- (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

## STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

**Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?**

- (A) Yes, we engaged with policy makers directly
- (B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI
- (C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI
- (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

**During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?**

- (A) We participated in 'sign-on' letters
- (B) We responded to policy consultations
- (C) We provided technical input via government- or regulator-backed working groups

Describe:

Participated in a TFND pilot coordinated by the Department of Climate Change, Energy, the Environment and Water

- (D) We engaged policy makers on our own initiative
- (E) Other methods

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

(A) We publicly disclosed all our policy positions

Add link(s):

<https://www.australiansuper.com/about-us/policy-submissions>

(B) We publicly disclosed details of our engagements with policy makers

(C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year

## STEWARDSHIP: EXAMPLES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 40	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Examples	2

Provide examples of stewardship activities that you conducted individually or collaboratively during the reporting year that contributed to desired changes in the investees, policy makers or other entities with which you interacted.

(A) Example 1:

Title of stewardship activity:

Climate Action 100+

(1) Led by

(1) Internally led

(2) External service provider led

(3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

(1) Environmental factors

(2) Social factors

(3) Governance factors

(3) Asset class(es)

(1) Listed equity

(2) Fixed income

(3) Private equity

(4) Real estate

(5) Infrastructure

(6) Hedge funds

(7) Forestry

(8) Farmland

(9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Founding investor, global steering committee member and lead investor on BHP Group and Qantas

(B) Example 2:

Title of stewardship activity:

Investors Against Slavery and Trafficking APAC

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Founding investor, steering committee member, lead investor on one company

(C) Example 3:

Title of stewardship activity:

Just transition engagement

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Thematic engagement with companies in our internal Australian fundamental portfolio exposed to climate change and just transition risk. Discussed principles to managing the just transition, practicalities for the business, and consultation process with worker representatives and workers.

(D) Example 4:

Title of stewardship activity:

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

(E) Example 5:

Title of stewardship activity:

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

## CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

### Has your organisation identified climate-related risks and opportunities affecting your investments?

(A) Yes, within our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

The standard planning period is 3 years.

Risks:

- Transition risk for companies and assets as the economy decarbonises
- Physical risks of assets and adaptation risk if mitigation strategies are not deployed
- Stranded asset risk for those companies in highly exposed sectors
- Abrupt policy changes with regards to climate change management

Opportunities:

- The transition in the energy mix will create investment opportunities across a range of technologies, including renewable energy, climate change solutions with new technologies developed as the world decarbonises
- The required renewable energy infrastructure, green hydrogen and energy storage as the economy decarbonises has the potential to create investment opportunities

(B) Yes, beyond our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

Risks:

- Mis-alignment to a net zero trajectory to meet the Fund's commitment and therefore meeting the aims of the Paris Agreement
- Transition risk for companies and assets as the economy decarbonizes
- Physical risks of assets and adaptation risk if mitigation strategies are not deployed
- Stranded asset risk for those companies in highly exposed sectors
- Abrupt policy changes with regards to climate change management

Opportunities:

- The transition in the energy mix will create investment opportunities across a range of technologies, including renewable energy, climate change solutions with new technologies developed as the world decarbonizes
- The required renewable energy infrastructure, green hydrogen and energy storage as the economy decarbonizes has the potential to create investment opportunities

(C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

**Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?**

**● (A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities**

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

Climate Change is a key, ongoing portfolio research thematic, which feeds into portfolio construction decisions. Scenario testing is included in the asset allocation process including testing of portfolio performance under different climate transition scenarios and incorporation into long-run capital market assumptions.

- (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 42	PLUS	N/A	N/A	PUBLIC	Climate change	General

**Which sectors are covered by your organisation's strategy addressing high-emitting sectors?**

- (A) Coal
- (B) Gas
- (C) Oil
- (D) Utilities
- (E) Cement
- (F) Steel
- (G) Aviation
- (H) Heavy duty road
- (I) Light duty road
- (J) Shipping
- (K) Aluminium
- (L) Agriculture, forestry, fishery
- (M) Chemicals
- (N) Construction and buildings
- (O) Textile and leather
- (P) Water
- (Q) Other

Specify:

We consider climate change risks and opportunities in all of the sectors named above. We bring our sectoral views, and their transition pathways, to the individual investment decision factoring in risk and opportunities on an individual investment basis

Describe your strategy:

- (R) We do not have a strategy addressing high-emitting sectors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General
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**Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?**

- (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
- (B) Yes, using the One Earth Climate Model scenario
- (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
- (D) Yes, using other scenarios
- (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General
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**Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?**

- (A) Yes, we have a process to identify and assess climate-related risks

(1) Describe your process

Prior to investing in an Australian listed company, international listed company, direct property asset, direct infrastructure asset, or private equity co-underwrite or co-investment opportunity, we conduct due diligence to identify ESG issues that can impact the value of the company or asset, including the evaluation of climate transition and physical risks and opportunities. Our assessments then feed into the investment case, the decision to invest, and the valuation of the asset.

(2) Describe how this process is integrated into your overall risk management

The Board is ultimately responsible for the Fund's Enterprise Risk Management Framework (ERmf). The ERmf is the totality of systems, structures, policies, processes and people within the business operations that identify, assess, manage, mitigate and monitor all internal and external sources of inherent risk that could have a material impact on AustralianSuper's business operations or purpose. It encompasses the linkage between AustralianSuper's strategy and business planning.

AustralianSuper groups risks into three tiers: Enterprise Risks, Material Risks and Business Risks. Investment Objective risk is one of nine Enterprise Risks, which is associated with ensuring investment performance meets AustralianSuper's investment objectives. The Fund's Investment Governance Framework is the governing framework for the Fund's investment activities and associated risks, including the management of ESG and climate change risks. Our ESG and Stewardship approach is documented in our ESG and Stewardship policy.

- (B) Yes, we have a process to manage climate-related risks

(1) Describe your process



The ESG and Stewardship team is responsible for implementing AustralianSuper's ESG and Stewardship policy and for contributing to the management of climate change risk within the portfolio as overseen by the CIO.

Asset class teams are responsible for taking into account ESG considerations, including climate change risks, when making investment decisions and in ongoing ownership. The ESG and Stewardship team works closely with the asset class teams to integrate ESG considerations in the investment and ongoing stewardship processes. The team draws on research and data and insights from ESG data service providers, membership of investor organizations that have climate change expertise and collaborative networks.

Once climate change risks and/or opportunities are identified and mitigants in place are assessed, ownership actions are developed by the ESG & Stewardship team and built into the ownership and engagement plan for the asset or company. Where capital and/or operational expenditure is required to manage the climate change risk and is ascertainable, this is factored into the asset's valuation.

The ESG and Stewardship team also performs a range of climate-related advocacy, engagement, collaboration and reporting responsibilities.

Additional investment support and oversight is provided by the Fund Services Group and Group Risk:

- Fund Services Group is responsible for providing operations, legal, tax, performance, mandate and regulatory compliance activities and operational risk support to Investments.
- Group Risk is a risk advisory and oversight function which establishes frameworks, policies and processes for the governance, management, monitoring and reporting of risks, controls, and obligations.

## (2) Describe how this process is integrated into your overall risk management

The management of climate change risks and opportunities are then integrated in the periodic review of the companies and assets we are invested in.

AustralianSuper advocates for the incorporation of the net zero transition into the business strategies of the companies and assets we invest in.

We monitor our climate change risk through our internal carbon tracking activities, which measure the current and estimated future emissions of certain investments in our portfolio based on their current commitments and targets.

Our internal analysis currently measures the Scope 1 and Scope 2 emissions of our investments in the Australian shares, international shares, unlisted and listed property, and unlisted and listed infrastructure asset classes, which represent around 70% of the total portfolio. This analysis helps us to identify the largest contributors to current and future portfolio emissions and informs our stewardship approach.

As an example, we have identified that for our actively managed portfolios in the Australian shares asset class, five companies are responsible for almost 84% of current emissions. We have also estimated the emissions for these portfolios in the Australian shares asset class at 2050 based on identified company targets. We engage (individually or via collaborative networks with other investors) with large emitters in these portfolios on their climate action plans. This analysis regularly allows us to monitor and assess climate change risk in the portfolio.

- (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and disclose?

(A) Exposure to physical risk

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

(1) Metric or variable used

- (2) Metric or variable used and disclosed
- (3) Metric or variable used and disclosed, including methodology

(B) Exposure to transition risk

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

(3) Metric or variable used and disclosed, including methodology

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.australiansuper.com/investments/how-we-invest/climate-change>

(C) Internal carbon price

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

(1) Metric or variable used

- (2) Metric or variable used and disclosed
- (3) Metric or variable used and disclosed, including methodology

(D) Total carbon emissions

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed
- (3) Metric or variable used and disclosed, including methodology

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.australiansuper.com/investments/how-we-invest/climate-change>

(E) Weighted average carbon intensity

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed
- (3) Metric or variable used and disclosed, including methodology

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.australiansuper.com/investments/how-we-invest/climate-change>

(F) Avoided emissions

(G) Implied Temperature Rise (ITR)

(H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals

(I) Proportion of assets or other business activities aligned with climate-related opportunities

(J) Other metrics or variables

- (K) Our organisation did not use or disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

**During the reporting year, did your organisation disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?**

**(A) Scope 1 emissions**

- (1) Indicate whether this metric was disclosed, including the methodology
  - (1) Metric disclosed
  - **(2) Metric and methodology disclosed**
- (2) Provide links to the disclosed metric and methodology, as applicable

<https://www.australiansuper.com/investments/how-we-invest/climate-change>

**(B) Scope 2 emissions**

- (1) Indicate whether this metric was disclosed, including the methodology
  - (1) Metric disclosed
  - **(2) Metric and methodology disclosed**
- (2) Provide links to the disclosed metric and methodology, as applicable

<https://www.australiansuper.com/investments/how-we-invest/climate-change>

**(C) Scope 3 emissions (including financed emissions)**

- (D) Our organisation did not disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

## SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

**Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?**

- **(A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities**
- (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

**Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?**

- (A) The UN Sustainable Development Goals (SDGs) and targets
- (B) The UNFCCC Paris Agreement
- (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
- (D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- (E) The EU Taxonomy
- (F) Other relevant taxonomies
- (G) The International Bill of Human Rights
- (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- (I) The Convention on Biological Diversity
- (J) Other international framework(s)
- (K) Other regional framework(s)
- (L) Other sectoral/issue-specific framework(s)
- (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

**What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?**

- (A) Identify sustainability outcomes that are closely linked to our core investment activities
- (B) Consult with key clients and/or beneficiaries to align with their priorities
- (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irreparable character
- (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues
- (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
- (F) Understand the geographical relevance of specific sustainability outcome objectives
- (G) Other method
- (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

**Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?**

- (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities
- (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48.1	PLUS	PGS 48	N/A	PUBLIC	Sustainability outcomes	1, 2

**Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?**

- (A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons
- (B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon
- (C) We have been requested to do so by our clients and/or beneficiaries
- (D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes
- (E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments
- (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
- (G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right
- (H) Other

## HUMAN RIGHTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49	PLUS	PGS 47	PGS 49.1	PUBLIC	Human rights	1, 2

**During the reporting year, what steps did your organisation take to identify and take action on the actual and potentially negative outcomes for people connected to your investment activities?**

**(A) We assessed the human rights context of our potential and/or existing investments and projected how this could connect our organisation to negative human rights outcomes**

Explain how these activities were conducted:

Our FY22 modern slavery risk assessment analysed our unlisted infrastructure and property portfolios' and equities portfolio's inherent modern slavery risk from Tier 1 (direct supplier) down to tier 10 of the supply chain, covering both internally and externally managed exposures (excluding property assets under development). The analysis classifies modern slavery risks according to the three UN Guiding Principles continuum of conduct categories: cause, contribution and direct linkage. we conducted this through the use of external data provider FairSupply.

FairSupply's assessment indicates the risk of modern slavery occurring in each portfolio, enabling us to identify the top modern slavery risks by geography, industry and company. While the analysis highlights where risks could potentially emerge from within a company's supply chain, it does not indicate the actual prevalence of modern slavery practices in these companies. It also does not take into account the mitigation strategies each asset and company have in place to manage modern slavery risks.

AustralianSuper has used a slavery intensity metric to identify modern slavery risk across our portfolios. The 'slavery intensity' metric quantifies the number of Full-Time Equivalent (FTE) workers estimated to be in slavery across the portfolio's supply chain per million dollars invested. We have used the 'slavery intensity' metric to identify risk across our portfolios as we understand that while we may have more proportionate influence over those investments where a higher amount is invested, the risk to people of modern slavery can also occur in our smaller value investments.

- (B) We assessed whether individuals at risk or already affected might be at heightened risk of harm
- (C) We consulted with individuals and groups who were at risk or already affected, their representatives and/or other relevant stakeholders such as human rights experts
- (D) We took other steps to assess and manage the actual and potentially negative outcomes for people connected to our investment activities
  - (E) We did not identify and take action on the actual and potentially negative outcomes for people connected to any of our investment activities during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.1	PLUS	PGS 49	N/A	PUBLIC	Human rights	1, 2

**During the reporting year, which stakeholder groups did your organisation include when identifying and taking action on the actual and potentially negative outcomes for people connected to your investment activities?**

**(A) Workers**

Sector(s) for which each stakeholder group was included

- (1) Energy
- (2) Materials
- (3) Industrials
- (4) Consumer discretionary
- (5) Consumer staples
- (6) Healthcare
- (7) Finance
- (8) Information technology
- (9) Communication services
- (10) Utilities
- (11) Real estate

(B) Communities

Sector(s) for which each stakeholder group was included

- (1) Energy
- (2) Materials
- (3) Industrials
- (4) Consumer discretionary
- (5) Consumer staples
- (6) Healthcare
- (7) Finance
- (8) Information technology
- (9) Communication services
- (10) Utilities
- (11) Real estate

(C) Customers and end-users

Sector(s) for which each stakeholder group was included

- (1) Energy
- (2) Materials
- (3) Industrials
- (4) Consumer discretionary
- (5) Consumer staples
- (6) Healthcare
- (7) Finance
- (8) Information technology
- (9) Communication services
- (10) Utilities
- (11) Real estate

(D) Other stakeholder groups

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.2	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

During the reporting year, what information sources did your organisation use to identify the actual and potentially negative outcomes for people connected to its investment activities?

(A) Corporate disclosures

Provide further detail on how your organisation used these information sources:

Analysis of employee engagement data, safety performance data, industrial relations approaches ect. help us form a view on how the companies are contributing to people outcomes.

**(B) Media reports**

Provide further detail on how your organisation used these information sources:

Flag potential issues to engage with both the companies and stakeholders on (if material).

- (C) Reports and other information from NGOs and human rights institutions
- (D) Country reports, for example, by multilateral institutions, e.g. OECD, World Bank
- (E) Data provider scores or benchmarks
- (F) Human rights violation alerts

**(G) Sell-side research**

Provide further detail on how your organisation used these information sources:

Helped prioritize companies with potential issues for engagement.

**(H) Investor networks or other investors**

Provide further detail on how your organisation used these information sources:

Engagement through IAST APAC informed our investment thesis on target companies and the realities of the risk to people are flagged in our views of the company.

- (I) Information provided directly by affected stakeholders or their representatives
- (J) Social media analysis
- (K) Other

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 50	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

**During the reporting year, did your organisation, directly or through influence over investees, enable access to remedy for people affected by negative human rights outcomes connected to your investment activities?**

(A) Yes, we enabled access to remedy directly for people affected by negative human rights outcomes we caused or contributed to through our investment activities

**(B) Yes, we used our influence to ensure that our investees provided access to remedies for people affected by negative human rights outcomes we were linked to through our investment activities**

Describe:

Portfolio companies have discovered instances of modern slavery in their supply chains. In engagement, we encouraged quick remediation for those impacted. We monitored the remediation approaches and requested a report back on progress of the activities through direct engagement and public disclosure..

(C) No, we did not enable access to remedy directly, or through the use of influence over investees, for people affected by negative human rights outcomes connected to our investment activities during the reporting year



# MANAGER SELECTION, APPOINTMENT AND MONITORING (SAM)

## OVERALL APPROACH

### EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 1	CORE	OO 21	N/A	PUBLIC	External investment managers	4

For the majority of your externally managed AUM in each asset class, which responsible investment aspects does your organisation consider important in the assessment of external investment managers?

	(1) Listed equity (active)	(2) Listed equity (passive)	(6) Real estate	(7) Infrastructure
<b>Organisation</b>				
(A) Commitment to and experience in responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Responsible investment policy(ies)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Governance structure and senior-level oversight and accountability	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>People and Culture</b>				
(D) Adequate resourcing and incentives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Staff competencies and experience in responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Investment Process</b>				

(F) Incorporation of material ESG factors in the investment process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Incorporation of risks connected to systematic sustainability issues in the investment process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Stewardship</b>				
(I) Policy(ies) or guidelines on stewardship	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Policy(ies) or guidelines on (proxy) voting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(K) Use of stewardship tools and activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(L) Incorporation of risks connected to systematic sustainability issues in stewardship practices	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(M) Involvement in collaborative engagement and stewardship initiatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(N) Engagement with policy makers and other non-investee stakeholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(O) Results of stewardship activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Performance and Reporting</b>				
(P) ESG disclosure in regular client reporting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(Q) Inclusion of ESG factors in contractual agreements

(R) We do not consider any of the above responsible investment aspects important in the assessment of external investment managers

## SERVICE PROVIDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 2	CORE	OO 21	N/A	PUBLIC	Service providers	4

**Which responsible investment aspects does your organisation consider important when assessing all service providers that advise you in the selection, appointment and/or monitoring of external investment managers?**

- (A) Incorporation of their responsible investment policy into advisory services
- (B) Ability to accommodate our responsible investment policy
- (C) Level of staff's responsible investment expertise
- (D) Use of data and analytical tools to assess the external investment manager's responsible investment performance
- (E) Other
- (F) We do not consider any of the above responsible investment aspects important when assessing service providers that advise us in the selection, appointment and/or monitoring of external investment managers
- (G) **Not applicable; we do not engage service providers in the selection, appointment or monitoring of external investment managers**

## SELECTION

### RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 4	CORE	OO 12, OO 21	SAM 5, SAM 6, SAM 7	PUBLIC	Responsible investment practices	General

**During the reporting year, did your organisation select new external investment managers or allocate new mandates to existing investment managers?**

- (A) **Yes, we selected external investment managers or allocated new mandates to existing investment managers during the reporting year**
- (B) No, we did not select new external investment managers or allocate new mandates to existing investment managers during the reporting year

- (C) Not applicable; our organisation is in a captive relationship with external investment managers, which applies to 90% or more of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 5	CORE	SAM 4	N/A	PUBLIC	Responsible investment practices	4

**During the reporting year, what responsible investment aspects did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?**

#### Organisation

**(A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)**

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates**
- (3) for a minority of our mandates

(B) Responsible investment policy(ies) (e.g. the alignment of their responsible investment policy with the investment mandate)

**(C) Governance structure and senior-level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)**

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates**
- (3) for a minority of our mandates

#### People and Culture

(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)

**(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)**

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates**
- (3) for a minority of our mandates

#### Investment Process

**(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)**

Select from dropdown list

- (1) for all of our mandates**
- (2) for a majority of our mandates
- (3) for a minority of our mandates

**(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)**

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates**
- (3) for a minority of our mandates

(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

**Performance and Reporting**

(I) ESG disclosure in regular client reporting

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(J) Inclusion of ESG factors in contractual agreements

(K) We did not review and evaluate any of the above responsible investment aspects when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

## APPOINTMENT

## SEGREGATED MANDATES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 8	CORE	OO 5.2, OO 13	N/A	PUBLIC	Segregated mandates	4

Which responsible investment aspects do your organisation, or the service provider acting on your behalf, explicitly include in clauses within your contractual agreements with your external investment managers for segregated mandates?

(A) Their commitment to following our responsible investment strategy in the management of our assets

Select from dropdown list

- (1) for all of our segregated mandates
- (2) for a majority of our segregated mandates
- (3) for a minority of our segregated mandates

(B) Their commitment to incorporating material ESG factors into their investment activities

Select from dropdown list

- (1) for all of our segregated mandates
- (2) for a majority of our segregated mandates
- (3) for a minority of our segregated mandates

(C) Their commitment to incorporating material ESG factors into their stewardship activities

(D) Their commitment to incorporating risks connected to systematic sustainability issues into their investment activities

(E) Their commitment to incorporating risks connected to systematic sustainability issues into their stewardship activities

(F) Exclusion list(s) or criteria

Select from dropdown list

- (1) for all of our segregated mandates
- (2) for a majority of our segregated mandates
- (3) for a minority of our segregated mandates

(G) Responsible investment communications and reporting obligations, including stewardship activities and results

Select from dropdown list

- (1) for all of our segregated mandates
- (2) for a majority of our segregated mandates
- (3) for a minority of our segregated mandates

(H) Incentives and controls to ensure alignment of interests

(I) Commitments on climate-related disclosure in line with internationally-recognised frameworks such as the TCFD

(J) Commitment to respect human rights as defined in the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights

(K) Their acknowledgement that their appointment is conditional on the fulfilment of their agreed responsible investment commitments

Select from dropdown list

- (1) for all of our segregated mandates
- (2) for a majority of our segregated mandates
- (3) for a minority of our segregated mandates

(L) Other

(M) We do not include responsible investment aspects in clauses within our contractual agreements with external investment managers for segregated mandates

## MONITORING

### RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 9	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	4

For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' responsible investment practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?

	(1) Listed equity (active)	(2) Listed equity (passive)	(6) Real estate	(7) Infrastructure
<b>Organisation</b>				
(A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(B) Responsible investment policy(ies) (e.g. the continued alignment of their responsible investment policy with the investment mandate)

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(C) Governance structure and senior level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)

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### People and Culture

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(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)

---

(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

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### Investment Process

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(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

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(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

                                                                

(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks, their response to ESG incidents)

                                                                

**Performance and Reporting**

(I) ESG disclosure in regular client reporting (e.g. any changes in their regular client reporting)

                                                                

(J) Inclusion of ESG factors in contractual agreements

                                                                

(K) We did not monitor any of the above aspects of our external investment managers' responsible investment practices during the reporting year

                                                                

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 10	PLUS	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

**During the reporting year, which information did your organisation, or the service provider acting on your behalf, monitor for externally managed ESG passive products and strategies?**



(1) Listed equity (passive)

(A) How the external investment managers applied, reviewed and verified screening criteria

(B) How the external investment managers rebalanced the products as a result of changes in ESG rankings, ratings or indexes

(C) Evidence that ESG passive products and strategies meet the responsible investment criteria and process

(D) Other

(E) We did not monitor ESG passive products and strategies

(F) Not applicable; we do not invest in ESG passive products and strategies

**(D) Other - Specify:**

Approach and alignment to net zero by 2050

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 11	PLUS	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

**Describe an innovative practice you adopted as part of monitoring your external investment managers' responsible investment practices in a specific asset class during the reporting year.**

We assess how potential new investment managers identify and manage climate change considerations during our appointment process. We also send questionnaires on an annual basis to assess how external managers identify and manage ESG issues, including climate change considerations. For example, we ask managers to articulate their approach to climate change risks within their respective portfolios, and how they consider transition and physical impact risks in the companies in their portfolios. Over the last year we engaged with our listed equities fund managers on their alignment and transition to the Net Zero 2050 economy and their TCFD disclosures, working outcomes of the assessment into our decision on the retention of the manager annually.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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SAM 12	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1
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**For the majority of your externally managed AUM in each asset class, how often does your organisation, or the service provider acting on your behalf, monitor your external investment managers’ responsible investment practices?**

	(1) Listed equity (active)	(2) Listed equity (passive)	(6) Real estate	(7) Infrastructure
(A) At least annually	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Less than once a year	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) On an ad hoc basis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## ENGAGEMENT AND ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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SAM 15	PLUS	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4
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**Describe how your organisation engaged with external investment managers to improve their responsible investment practices during the reporting year.**

In the investment manager appointment and annual compliance operational due diligence process for all external managers, we assess how investment managers address ESG as part of their investment approach. We have enhanced our due diligence approach by refining our questions in both our appointment due diligence and on-going compliance questionnaires, which are sent to our equities,

fixed income, private equity, property and infrastructure managers on an annual basis.

We expect our external investment managers to have an established set of frameworks, policies and procedures that govern the way they operate, assess, and manage ESG risks and impacts. AustralianSuper conducts deep-dive ESG reviews on all external listed equities managers and major property, infrastructure and private equity managers via annual questionnaires and engagement. As part of these reviews, we seek to understand how the manager considers ESG factors in the investment process and more specifically, how they are continuing to evolve their approach. We then use the engagement to share development in material ESG matters and discuss how the manager seeks to use these development to enhance their investment or asset management practices.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 16	CORE	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

**What actions does your organisation, or the service provider acting on your behalf, include in its formal escalation process to address concerns raised during monitoring of your external investment managers' responsible investment practices?**

	(1) Listed equity (active)	(2) Listed equity (passive)	(6) Real estate	(7) Infrastructure
(A) Engagement with their investment professionals, investment committee or other representatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Notification about their placement on a watch list or relationship coming under review	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Reduction of capital allocation to the external investment managers until any concerns have been rectified	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) Termination of the contract if failings persist over a (notified) period, including an explanation of the reasons for termination	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(E) Holding off selecting the external investment managers for new mandates or allocating additional capital until any concerns have been rectified	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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(F) Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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(G) Our organisation does not have a formal escalation process to address concerns raised during monitoring	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
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## VERIFICATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 17	CORE	OO 14, OO 21	N/A	PUBLIC	Verification	1

**For the majority of your externally managed AUM in each asset class, how did your organisation, or the service provider acting on your behalf, verify that the information reported by external investment managers on their responsible investment practices was correct during the reporting year?**

	(1) Listed equity (active)	(2) Listed equity (passive)	(6) Real estate	(7) Infrastructure
(A) We checked that the information reported was verified through a third-party assurance process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) We checked that the information reported was verified by an independent third party	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) We checked for evidence of internal monitoring or compliance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(E) We did not verify the information reported by external investment managers on their responsible investment practices during the reporting year

# SUSTAINABILITY OUTCOMES (SO)

## SETTING TARGETS AND TRACKING PROGRESS

### SETTING TARGETS ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	PGS 48	SO 2, SO 2.1, SO 3	PUBLIC	Setting targets on sustainability outcomes	1, 2

What specific sustainability outcomes connected to its investment activities has your organisation taken action on?

(A) Sustainability outcome #1

(1) Widely recognised frameworks used to guide action on this sustainability outcome

(1) The UN Sustainable Development Goals (SDGs) and targets

(2) The UNFCCC Paris Agreement

(3) The UN Guiding Principles on Business and Human Rights (UNGPs)

(4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

(5) The EU Taxonomy

(6) Other relevant taxonomies

(7) The International Bill of Human Rights

(8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

(9) The Convention on Biological Diversity

(10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

(1) Environmental

(2) Social

(3) Governance-related

(4) Other

(3) Sustainability outcome name

Reaching the portfolio goal of net zero emissions by 2050

(4) Number of targets set for this outcome

(1) No target

(2) One target

(3) Two or more targets

(B) Sustainability outcome #2

- (1) Widely recognised frameworks used to guide action on this sustainability outcome
- (1) The UN Sustainable Development Goals (SDGs) and targets
  - (2) The UNFCCC Paris Agreement
  - (3) **The UN Guiding Principles on Business and Human Rights (UNGPs)**
  - (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
  - (5) The EU Taxonomy
  - (6) Other relevant taxonomies
  - (7) **The International Bill of Human Rights**
  - (8) **The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions**
  - (9) The Convention on Biological Diversity
  - (10) Other international, regional, sector-based or issue-specific framework(s)
- (2) Classification of sustainability outcome
- (1) Environmental
  - (2) **Social**
  - (3) Governance-related
  - (4) Other
- (3) Sustainability outcome name

Enhancing our approach to identifying and mitigating modern slavery in our investment portfolios

- (4) Number of targets set for this outcome
- (1) **No target**
  - (2) One target
  - (3) Two or more targets
- (C) **Sustainability outcome #3**
- (1) Widely recognised frameworks used to guide action on this sustainability outcome
- (1) The UN Sustainable Development Goals (SDGs) and targets
  - (2) The UNFCCC Paris Agreement
  - (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
  - (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
  - (5) The EU Taxonomy
  - (6) Other relevant taxonomies
  - (7) The International Bill of Human Rights
  - (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
  - (9) The Convention on Biological Diversity
  - (10) **Other international, regional, sector-based or issue-specific framework(s)**
- (2) Classification of sustainability outcome
- (1) Environmental
  - (2) Social
  - (3) **Governance-related**
  - (4) Other
- (3) Sustainability outcome name

Improving Gender Diversity on ASX Boards

- (4) Number of targets set for this outcome
- (1) No target
  - (2) **One target**
  - (3) Two or more targets
- (D) Sustainability outcome #4
  - (E) Sustainability outcome #5
  - (F) Sustainability outcome #6
  - (G) Sustainability outcome #7
  - (H) Sustainability outcome #8
  - (I) Sustainability outcome #9

(J) Sustainability outcome #10

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2	PLUS	SO 1	SO 2.1, SO 4, SO 5	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your nearest-term targets.

**(A1) Sustainability Outcome #1: Target details**

(A1) Sustainability Outcome #1:	Reaching the portfolio goal of net zero emissions by 2050					
(1) Target name	Net zero (scope 1 & 2) portfolio emissions by 2050					
(2) Baseline year	2020					
(3) Target to be met by	2049					
(4) Methodology	Gradual reduction of emissions in the investment portfolio on multiple calculation methods.					
(5) Metric used (if relevant)						
(6) Absolute or intensity-based (if relevant)						(1) Absolute
(7) Baseline level or amount (if relevant):	Not relevant					
(8) Target level or amount (if relevant)	0					
(9) Percentage of total AUM covered in your baseline year for target setting	100%					
(10) Do you also have a longer-term target for this?						(1) Yes

### (C1) Sustainability Outcome #3: Target details

(C1) Sustainability Outcome #3:	Improving Gender Diversity on ASX Boards		
(1) Target name	Increasing female directors on ASX company boards		
(2) Baseline year	2017		
(3) Target to be met by			
(4) Methodology	Using our proxy voting rights to vote against the most senior male up for election/ re-election at ASX200 companies that have less than two women on the board.		
(5) Metric used (if relevant)	number of women		
(6) Absolute or intensity-based (if relevant)	(1) Absolute		
(7) Baseline level or amount (if relevant):			
(8) Target level or amount (if relevant)	2 or more		
(9) Percentage of total AUM covered in your baseline year for target setting	23%		
(10) Do you also have a longer-term target for this?	(1) Yes		

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2.1	PLUS	SO 1, SO 2	N/A	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your long-term targets.



	(1) Target name	(2) Long-term target to be met by	(3) Long-term target level or amount (if relevant)
(A1) Sustainability Outcome #1: Reaching the portfolio goal of net zero emissions by 2050	Net zero (scope 1 & 2) portfolio emissions by 2050	2050	0
(C1) Sustainability Outcome #3: Improving Gender Diversity on ASX Boards	Increasing female directors on ASX company boards		We are seeking to achieve a 40:20:40 gender split on ASX company boards.

## FOCUS: SETTING NET-ZERO TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3	PLUS	SO 1	Multiple, see guidance	PUBLIC	Focus: Setting net-zero targets	General

If relevant to your organisation, you can opt-in to provide further details on your net-zero targets.

- (A) Yes, we would like to provide further details on our organisation's asset class-specific net-zero targets
- (B) Yes, we would like to provide further details on our organisation's net-zero targets for high-emitting sectors
- (C) Yes, we would like to provide further details on our organisation's mandate or fund-specific net-zero targets
- (D) No, we would not like to provide further details on our organisation's asset class, high-emitting sectors or mandate or fund-specific net-zero targets
- (E) No, our organisation does not have any asset class, high-emitting sectors or mandate or fund-specific net-zero targets

## TRACKING PROGRESS AGAINST TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4	PLUS	SO 2	SO 4.1	PUBLIC	Tracking progress against targets	1

Does your organisation track progress against your nearest-term sustainability outcomes targets?

### (A1) Sustainability outcome #1:

(A1) Sustainability outcome #1: Reaching the portfolio goal of net zero emissions by 2050

Target name: Net zero (scope 1 & 2) portfolio emissions by 2050

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

### (C1) Sustainability outcome #3:

(C1) Sustainability outcome #3: Improving Gender Diversity on ASX Boards

Target name: Increasing female directors on ASX company boards

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4.1	PLUS	SO 4	N/A	PUBLIC	Tracking progress against targets	1

**During the reporting year, what qualitative or quantitative progress did your organisation achieve against your nearest-term sustainability outcome targets?**

### (A1) Sustainability Outcome #1: Target details

(A1) Sustainability Outcome #1: Reaching the portfolio goal of net zero emissions by 2050

(1) Target name: Net zero (scope 1 & 2) portfolio emissions by 2050

(2) Target to be met by: 2050

(3) Metric used (if relevant)

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(4) Current level or amount (if relevant)

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(5) Other qualitative or quantitative progress

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(6) Methodology for tracking progress      frequent and periodic assessment of portfolio emissions and net zero alignment

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**(C1) Sustainability Outcome #3: Target details**

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(C1) Sustainability Outcome #3:      Improving Gender Diversity on ASX Boards

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(1) Target name      Increasing female directors on ASX company boards

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(2) Target to be met by

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(3) Metric used (if relevant)      number of women

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(4) Current level or amount (if relevant)

---

(5) Other qualitative or quantitative progress

---

(6) Methodology for tracking progress      Assessment of number of women on ASX boards over time.

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# INDIVIDUAL AND COLLABORATIVE INVESTOR ACTION ON OUTCOMES

## LEVERS USED TO TAKE ACTION ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5	PLUS	SO 2	Multiple	PUBLIC	Levers used to take action on sustainability outcomes	1, 2, 5

During the reporting year, which of the following levers did your organisation use to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

- (A) Stewardship with investees, including engagement, (proxy) voting, and direct influence with privately held assets**  
 Select from drop down list:
  - (1) Individually**
  - (2) With other investors or stakeholders
- (B) Stewardship: engagement with external investment managers**  
 Select from drop down list:
  - (1) Individually**
  - (2) With other investors or stakeholders
- (C) Stewardship: engagement with policy makers**  
 Select from drop down list:
  - (1) Individually**
  - (2) With other investors or stakeholders**
- (D) Stewardship: engagement with other key stakeholders**  
 Select from drop down list:
  - (1) Individually
  - (2) With other investors or stakeholders**
- (E) Capital allocation
- (F) Our organisation did not use any of the above levers to take action on sustainability outcomes during the reporting year

## STEWARDSHIP WITH INVESTEES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 8	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

**During the reporting year, how did your organisation use stewardship with investees to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?**

### (A) Across all sustainability outcomes

(1) Describe your approach	Direct engagement with impacted portfolio companies and managers to create alignment with the goals and seek action on them. Where action was not taken, in some instances we used our proxy voting rights to vote to achieve these outcomes.
(2) Stewardship tools or activities used	(1) Engagement (2) (Proxy) voting at shareholder meetings
(3) Example	Diversity and climate change both key topics covered in our direct engagement program with investee companies.

### (B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:	Reaching the portfolio goal of net zero emissions by 2050
(1) Describe your approach	Direct engagement with impacted portfolio companies and managers to create alignment with the goals and seek action on them. Where action was not taken, in some instances we used our proxy voting rights to vote to achieve these outcomes.
(2) Stewardship tools or activities used	(1) Engagement (2) (Proxy) voting at shareholder meetings
(3) Example	Voting For climate change shareholder proposals (supported 49% in CY22)

### (C) Sustainability Outcome #2:

(C) Sustainability Outcome #2: Enhancing our approach to identifying and mitigating modern slavery in our investment portfolios

(1) Describe your approach

We expect companies to effectively identify and manage modern slavery risks across their supply chains. For Australian listed companies, we have a direct engagement program where we discuss the company's approach to ESG. Modern slavery and labour standards are priority areas of the social factor component of our direct engagement program.

(2) Stewardship tools or activities used

(3) Example

Modern slavery was covered in 30% of our direct engagements in CY22

### (D) Sustainability Outcome #3:

(D) Sustainability Outcome #3: Improving Gender Diversity on ASX Boards

(1) Describe your approach

We engage with ASX200 companies who have less than 2 females on their Board seeking their commitment to meet this target, having due regard to the company's circumstances and the industry in which it operates. Where no reasonable and timely commitment is made, we will vote against the next male director up for re-election in the following order of priority:

- (i) Board Chair;
- (ii) Nomination Committee Chair;
- (iii) Longest serving member of the Nomination Committee up for re-election, or
- (iv) Longest serving member of the board up for re-election.

(2) Stewardship tools or activities used

(1) Engagement  
(2) (Proxy) voting at shareholder meetings

(3) Example

voted against 3 directors based on the policy on CY22.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 9	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

**How does your organisation prioritise the investees you conduct stewardship with to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?**

- (A) We prioritise the most strategically important companies in our portfolio.
- (B) We prioritise the companies in our portfolio most significantly connected to sustainability outcomes.**

Describe how you do this:

We conduct assessments (through external providers or our own ESG work) of the most exposed companies for the specific sustainability target we are seeking to address and then prioritize engagement actions with those companies accordingly.

Select from the list:

- 1
- 2
- 3
- 4
- (C) We prioritise the companies in our portfolio to ensure that we cover a certain proportion of the sustainability outcomes we are taking action on.
- (D) Other

## STEWARDSHIP WITH EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 10	PLUS	OO 5, SO 5	N/A	PUBLIC	Stewardship with external investment managers	2

**During the reporting year, how did your organisation, or the external service providers acting on your behalf, engage with external investment managers to ensure that they take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?**

**(A) Across all sustainability outcomes**

(1) Describe your approach

We assess how potential new investment managers identify and manage sustainability outcomes we prioritize through questionnaires on an annual basis. These questionnaires aim to assess how external managers identify and manage the sustainability outcome and how that factors into investment decision-making. Our annual assessments of listed equities managers feed into our investment view of the manager.

**(B) Sustainability Outcome #1:**

(B) Sustainability Outcome #1:

Reaching the portfolio goal of net zero emissions by 2050

(1) Describe your approach

**(C) Sustainability Outcome #2:**

(C) Sustainability Outcome #2:

Enhancing our approach to identifying and mitigating modern slavery in our investment portfolios

(1) Describe your approach

**(D) Sustainability Outcome #3:**

(D) Sustainability Outcome #3:

Improving Gender Diversity on ASX Boards

(1) Describe your approach

**STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 11	PLUS	SO 5	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

**During the reporting year, how did your organisation use engagement with policy makers to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?**



**(A) Across all sustainability outcomes**

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(1) Describe your approach

AustralianSuper seeks to advocate for appropriate policy settings to allow us to meet our investment obligations and as a result, enhance sustainability outcomes. We keep up to date on policy changes and areas where we can influence and contribute to those areas through policy submissions or engagement. Both submissions and engagement can be done direct ourselves or in collaboration with other investors and stakeholder groups.

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(2) Engagement tools or activities used

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(3) Example(s) of policies engaged on

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**(B) Sustainability Outcome #1:**

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(B) Sustainability Outcome #1: Reaching the portfolio goal of net zero emissions by 2050

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(1) Describe your approach

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(2) Engagement tools or activities used

---

(3) Example(s) of policies engaged on

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**(C) Sustainability Outcome #2:**

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(C) Sustainability Outcome #2: Enhancing our approach to identifying and mitigating modern slavery in our investment portfolios

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(1) Describe your approach

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(2) Engagement tools or activities used

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(3) Example(s) of policies engaged on

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**(D) Sustainability Outcome #3:**

(D) Sustainability Outcome #3: Improving Gender Diversity on ASX Boards

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

**STEWARDSHIP: ENGAGEMENT WITH OTHER KEY STAKEHOLDERS**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 12	PLUS	SO 5	N/A	PUBLIC	Stewardship: Engagement with other key stakeholders	2, 5

**Does your organisation engage with other key stakeholders to support the development of financial products, services, research, and/or data aligned with global sustainability goals and thresholds?**

**(A) Across all sustainability outcomes**

(1) Key stakeholders engaged

(6) External service providers (e.g. proxy advisers, investment consultants, data providers)  
 (1) Standard setters  
 (2) Reporting bodies  
 (7) Academia  
 (8) NGOs

(2) Provide further detail on your engagement

We like to consult broadly on sustainability matters and believe many sources of information help us to reach the optimal approach in reaching our investment goals.

**(B) Sustainability Outcome #1:**

(B) Sustainability Outcome #1: Reaching the portfolio goal of net zero emissions by 2050

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

**(C) Sustainability Outcome #2:**

(C) Sustainability Outcome #2: Enhancing our approach to identifying and mitigating modern slavery in our investment portfolios

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

**(D) Sustainability Outcome #3:**

(D) Sustainability Outcome #3: Improving Gender Diversity on ASX Boards

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

## STEWARDSHIP: COLLABORATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 13	PLUS	SO 5	N/A	PUBLIC	Stewardship: Collaboration	2

**During the reporting year, to which collaborative initiatives did your organisation contribute to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?**

**(A) Initiative #1**

(1) Name of the initiative: Climate Action 100+

(2) Indicate how your organisation contributed to this collaborative initiative:  
(A) We were a lead investor in one or more focus entities (e.g. investee companies)  
(G) We were part of an advisory committee or similar

(3) Provide further detail on your participation in this collaborative initiative

AustralianSuper is a founding member of Climate Action 100+. Our Head of ESG & Stewardship is a global steering committee member and rotating global Chair.

Climate Action 100+ has more than 700 investor signatories globally, representing US \$68 trillion in assets under management.

The initiative is promoting change in 166 of the world's largest carbon emitters, who are collectively responsible for up to 80% of global industrial greenhouse gas emissions.

The initiative released its second round of company assessments based on its Net Zero Company Benchmark in October 2022, which found 75% of companies had aligned disclosures with TCFD recommendations. In its 2021 progress report, Climate Action 100+ highlighted the results of BNEF analysis from September 2021, which found that 111 focus companies had set net zero targets for 2050 or earlier, compared to just five when the initiative launched in 2018.

It's estimated that these net zero targets – which Climate Action 100+ investors have played a significant role in securing – will reduce greenhouse gas emissions by 9.8 billion metric tonnes annually by 2050.

The Climate Action 100+ Net Zero Company Benchmark released in early 2021 marked an important step forward for climate measurement and management in the world's largest carbon emitters.

By defining a consistent framework and data to measure alignment with a net zero emissions future, it provides much needed clarity for investors and companies in climate change engagement. It enables better management of the investment risks and opportunities from climate change.

Climate Action 100+ released its second update on its Net Zero Company Benchmark assessments in October 2022.

The assessments show that while progress has been made, it needs to accelerate. Companies need credible strategies and capital expenditure plans to deliver on their net zero targets.

Key results include:

- 75% of Climate Action 100+ original focus companies have committed to net zero emissions by 2050 or sooner.
- 92% of focus companies have some form of board oversight of climate change.
- 91% of focus companies have aligned with TCFD recommendations either by supporting the TCFD principles or by employing climate-scenario planning.
- 82% of focus companies have set medium-term targets, however only 20% have targets that cover all material scopes and are aligned with a 1.5 degrees pathway.

- 53% of companies have a decarbonization strategy in place to reduce GHG emissions, although only 19% quantify key elements with respect to the major sources of their emissions.
  - Only 10% of companies have committed to fully align their capital expenditure strategies with their GHG targets or the Paris Agreement.
- AustralianSuper is engaging with companies to further progress the actions they are taking through CA100+ and our direct engagement program. We are lead investors on BHP and Qantas through the Climate Action 100+ initiative.

**(B) Initiative #2**

(1) Name of the initiative

Investors Against Slavery and Trafficking Asia Pacific (IAST APAC)

(2) Indicate how your organisation contributed to this collaborative initiative

- (A) We were a lead investor in one or more focus entities (e.g. investee companies)
- (B) We acted as a collaborating investor in one or more focus entities (e.g. investee companies)
- (C) We publicly endorsed the initiative
- (E) We supported the coordination of the initiative (e.g. facilitating group meetings) or provided other administrative support
- (G) We were part of an advisory committee or similar

(3) Provide further detail on your participation in this collaborative initiative

AustralianSuper understands the impact collaborative engagement can have on improving company performance on ESG issues. We see our ongoing involvement in IAST APAC as an important mechanism by which we can work with other investors to engage with companies on enhancing disclosure and management of modern slavery risks. The IAST APAC was launched in 2020 as an investor-led, multi-stakeholder initiative. The initiative seeks to work with individual companies to find, fix and prevent modern slavery, labour exploitation and human trafficking within their supply chains.

IAST APAC comprises 42 investors with AU\$9.4 trillion in assets under management. AustralianSuper is a founding member of the initiative and Co-Chair of Workstream 2: Company Engagement. The secretariat of the initiative is provided by Walk Free in partnership with the Liechtenstein Initiative for Finance Against Slavery and Trafficking (FAST).  
The initiative has two workstreams.

Workstream 1: Policy Advocacy

This workstream developed an investor statement outlining expectations for companies on modern slavery, which was sent to all ASX200 companies in FY21. The statement encouraged, companies to go above and beyond the legal requirements of the Modern Slavery Act and outlined measures they should consider adopting as best practice to combat modern slavery risks effectively. It has formed the basis of various direct company engagements over the last two years.

#### Workstream 2: Company Engagement

AustralianSuper co-chairs this workstream, which enables investors to work on collaborative engagements with focus companies to address modern slavery risk across the Asia Pacific region. During the period, investor groups in the Company Engagement Workstream continued to work with 22 focus companies across consumer discretionary, consumer staples, technology and healthcare sectors to implement engagement plans with objectives and milestones.

Given the breadth and variety of countries and sectors in the focus group of companies, our engagements have revealed that companies are at different stages of responding to modern slavery risks. While most companies are using tools to identify where modern slavery risk may be present, more work is required to mitigate and prevent the risk from occurring.

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#### **(C) Initiative #3**

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(1) Name of the initiative

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(2) Indicate how your organisation contributed to this collaborative initiative

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(3) Provide further detail on your participation in this collaborative initiative

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#### **(D) Initiative #4**

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(1) Name of the initiative

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(2) Indicate how your organisation contributed to this collaborative initiative

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(3) Provide further detail on your participation in this collaborative initiative

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# CONFIDENCE-BUILDING MEASURES (CBM)

## CONFIDENCE-BUILDING MEASURES

### APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

#### How did your organisation verify the information submitted in your PRI report this reporting year?

- (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- (E) We conducted an external ESG audit of our holdings to verify that our funds comply with our responsible investment policy
- (F) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- (G) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
  - (H) We did not verify the information submitted in our PRI report this reporting year

## INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

#### Who in your organisation reviewed the responses submitted in your PRI report this year?

- (A) Board, trustees, or equivalent
- (B) Senior executive-level staff, investment committee, head of department, or equivalent
  - Sections of PRI report reviewed
    - (1) the entire report
    - (2) selected sections of the report
  - (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year