

# Responsible investment strategy

UNISUPER SUSTAINABLE AND ENVIRONMENTAL BRANDED OPTIONS

## RIAA certification

The Responsible Investment Association Australasia (RIAA)'s RI Certification Symbol signifies that a product or service offers an investment style that takes into account environmental, social, governance or ethical considerations. The Symbol also signifies that UniSuper adheres to the operational and disclosure practices required under the Responsible Investment Certification Program for the category of Product. The Certification Symbol is a Registered Trademark of RIAA. Detailed information about RIAA, the Symbol and UniSuper's methodology, performance and stock holdings can be found at [www.responsiblereturns.com.au](http://www.responsiblereturns.com.au), together with details about other responsible investment products certified by RIAA.<sup>1</sup>

### Responsible Super Fund Leader 2023

UniSuper is recognised as a Responsible Super Fund Leader 2023 by RIAA. This acknowledges our commitment to good governance and accountability; implementation and measurement of responsible investment approaches through activities such as engagement and voting and ESG integration; proper measurement of outcomes; and our high degree of transparency.



We understand that sustainability can mean different things to different people. That's why in addition to our standard investment options, we offer members the choice of three sustainable and environmental branded options. These allow members to limit their exposure to certain industries and/or to invest in companies that seek to address global environmental challenges.

Our three sustainable and environmental branded options<sup>2</sup> have been certified by RIAA under the Responsible Investment Certification Program.

One or more responsible investment strategies will be applied to an investment in the Sustainable Balanced, Sustainable High Growth and Global Environmental Opportunities (GEO) options.

The charts on the following page show the proportions of each option which have one or more responsible investment strategies applied as at 31 December 2023.

In each of the three charts, the inner pie chart shows the proportion of the option which met negative screening criteria with the remainder as Neutral. The outer ring shows the proportion of the option which met positive screening criteria.

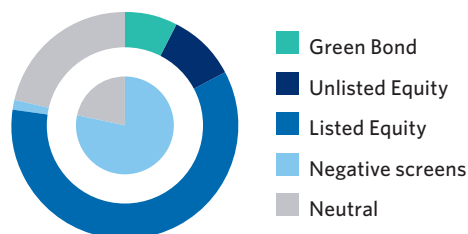
<sup>1</sup> The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.

<sup>2</sup> Sustainable and environmental investing means different things to different people. Different products have different investment criteria. Read our website to find out what sustainable and environmental investing means to us and what our investment options invest in.

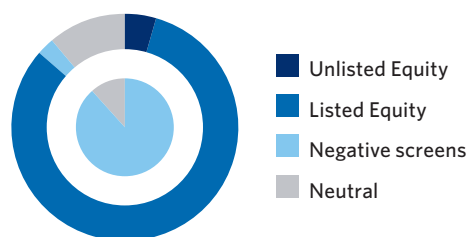
## SUSTAINABLE BALANCED & SUSTAINABLE HIGH GROWTH

The Sustainable Balanced and Sustainable High Growth options seek to apply one or more responsible investment strategies to an investment in the option. Third party industry classifications and exposure analysis may be used to assist with categorisation.

As at 31 December 2023 for the Sustainable Balanced option, we estimate that 78.4% of the option met negative screening criteria and 77.4% of the option met positive screening criteria.



As at 31 December 2023 for the Sustainable High Growth option, we estimate that 88.5% of the option met negative screening criteria and 86.6% of the option met positive screening criteria.

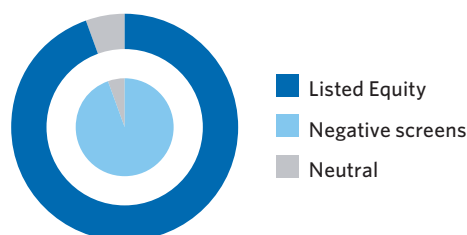


## GLOBAL ENVIRONMENTAL OPPORTUNITIES (GEO)

The GEO option gives our members the opportunity to direct investment towards international companies that provide products and/or services that seek to deliver solutions to environmental challenges and contribute to a more environmentally sustainable economy (as defined by third party providers).

To qualify for inclusion in this option, a company must derive at least 40% of its reported business revenues from one or more environmental market sectors.<sup>3</sup> Companies which qualify for this option do not necessarily have low carbon emissions. Refer to [unisuper.com.au/responsible-investing](https://unisuper.com.au/responsible-investing) for more information.

As at 31 December 2023, we estimate that 94.6% of the GEO option met both negative and positive screens.



## NEGATIVE SCREENS

In addition to our fund-wide exclusions,<sup>4</sup> we apply negative screens to our sustainable and environmental branded options to exclude companies with material exposure to tobacco, alcohol, gambling, weapons, and fossil fuel exploration and production. Our negative screens apply to all asset classes other than the neutral assets. More information on negative screens can be found [here](#).

## POSITIVE SCREENS

- **Green Bond:** Fixed interest products (e.g. bonds or credit) which have been rated by the UniSuper internal ESG team as having links to sustainability objectives<sup>5</sup> or have a use of proceeds towards sustainability projects.
- **Unlisted Equity:** Any unlisted investment in real estate, infrastructure or private equity that is rated with quality ESG practices either from a third party provider or as assessed by the UniSuper internal ESG team.<sup>6</sup>
- **Listed Equity** in Sustainable Balanced and Sustainable High Growth: Any listed company that is rated with quality ESG practices<sup>7</sup> either from a third party provider or as assessed by the UniSuper internal ESG team and/or the external manager or is aligned with one or more of the UN's Sustainable Development Goals ("SDG").
- **Listed Equity** in GEO option: Any listed company derives at least 40% of its reported business revenues from one or more environmental market sectors (as defined by third party providers).<sup>3</sup>

## NEUTRAL

Instruments like cash and swaps are not covered by negative screens and are considered "neutral".

<sup>3</sup> These include alternative energy, energy efficiency, sustainable water, green building, pollution prevention, sustainable agriculture, and other products and services that seek to deliver solutions to an environmental sustainable economy.

<sup>4</sup> Refer to page 23 of the [How we invest your money IBR](#) for more details.

<sup>5</sup> Contributing to positive environmental and social outcomes. This includes (but is not limited to) contribution to energy savings and energy efficiency, renewable energy projects, and affordable housing.

<sup>6</sup> As evidenced by one or more of the following: Thematically aligned with one or more of the UN's SDGs; contributing to decarbonisation through sustainable alternatives, commitments to net zero carbon emissions by 2050; ESG, Sustainable and Environmental ratings and certifications (such as, but not limited to, Forest Stewardship Council, GRESB, NABERS etc.).

<sup>7</sup> Having sound governance, quality management, strong business fundamentals with consideration to managing environmental and social risks/challenges. Refer to our Responsible investment and proxy voting policy for more information.