

Media Release

Wednesday, 15 July 2020

Aware Super to take leading role supporting Australia's economic recovery

First State Super today announced it would change its name to Aware Super in mid-September, signalling its commitment to action and impact.

The Fund's recent merger with VicSuper transformed the organisation into Australia's second largest industry fund with more than \$120 billion in funds under management.

Fund CEO Deanne Stewart said: 'As a result of our increased size and scale, we are now in an even stronger position to create a positive impact for our members and the community.'

'Australia's superannuation industry is responsible for \$3 trillion in retirement savings and the sector is already 50 per cent larger than our national GDP,' Ms Stewart said. 'We have a unique opportunity and responsibility to leverage our investments to have a significant and meaningful impact on our community.'

'This has never been more critical than in our current environment. For our economy to emerge stronger from this pandemic, we know it will require a combined effort from government and the private sector. The superannuation sector has an essential role to play.'

'As one of the nation's leading super funds we are stepping-up to be a force for good, supporting economic growth, creating employment opportunities and doing everything we can to help build a better Australia.'

As part of today's announcement, the fund has committed to doubling its investment in key-worker affordable housing from \$200 million to \$400 million this year. The Fund has also committed to supporting jobs growth through targeted initiatives for small to medium-sized businesses; providing much needed capital and loans to successful businesses to rebuild after the pandemic and increasing its investments in renewable energy and new technologies.

Some examples of these investments include:

- To date, First State Super has invested \$200 million in affordable housing developments to support key workers - nurses, teachers, emergency services personnel, aged and disability support workers, childcare employees and others in associated industries. Many in these industries are working long hours on the frontline of the COVID-19 pandemic, and these investments provide them with secure, quality, safe and affordable rental housing close to their workplace. The apartments are available to rent at 80 per cent of the market rate for the area. The units are located in Moonee Ponds in Victoria, as well as Hurstville, Waterloo, Epping, Northmead and Miranda in New South Wales, with further investments expected to be announced soon.
- First State Super has contributed \$200 million towards the Victorian Business Growth Fund in partnership with the Victorian Government, which will help to address barriers faced by successful small and medium-sized businesses that are ready to grow but can't access the funds or find the right partner they need to take the next step. The investments made through the fund will assist these businesses to expand and will help support the State's economic recovery and job creation despite the current uncertain environment.
- Taking lasting and meaningful action to support the transition to a low-carbon economy including establishing fund-wide targets for investing in renewables and new technologies. Last year the Fund took a one-third stake in the \$1.1 billion South Australian wind farm, Snowtown 2; has recently

completed investments in a world-leading tyre recycling organisation, as well as a bottle-to bottle recycling business, and is actively investigating other innovative opportunities.

Ms Stewart said that doing the right thing by the community and delivering the best possible returns for members were not mutually exclusive.

‘Despite the recent market volatility, we have maintained our top-10 performance position and protected our members savings. We remain in a strong position and are actively looking to invest and support our economy to emerge stronger from the current crisis.

‘We are also actively responding to the significant risks associated with climate change, through bold and ambitious targets and action.

‘We have committed to divest from thermal coal by October 2020. We will also reduce emissions in our listed equities portfolio by at least 30 per cent by 2023 and are advocating for an economy-wide, 45 per cent reduction in greenhouse gas emissions by 2030.

‘Many of our members are nurses, teachers, aged care workers and emergency service personnel who have been on the frontline supporting the national response to COVID-19. Matching their commitment to our community has always been part of our DNA.

‘As we continue to grow and expand our footprint, we have thought deeply about the need to create a single brand that not only unifies our member base, but clearly signals our purpose and our intent. By consolidating First State Super and StatePlus under a single brand, we can amplify our impact and reduce costs associated with managing multiple brands in market.

‘In addition, many of our members have spoken to us about the confusion of First State Super with many other brands that sound similar. We felt it was important to have a name that was clear, recognisable and best represented who we are and our intent. After careful consideration we concluded that shifting to a new brand name was the best option.

‘This is not a decision we have made lightly, and we consulted with many of our members and stakeholders throughout the process. We wanted to do this once and do it right. We wanted our new name to be much more than a passive description of who we are or what we do. We wanted a name that holds us accountable, to ourselves and our members. A name that we must live up to each day.

‘Becoming Aware Super demonstrates our ongoing commitment to action and impact - for our members, their communities and the broader world that we live in.’

First State Super and StatePlus will be renamed **Aware Super** in September 2020. The VicSuper brand name will be retained and we will undertake a careful review of this in the future.

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Note to editors:

First State Super merged with VicSuper on 1 July 2020 to become one of Australia’s largest industry funds managing over \$120 billion in assets and providing superannuation, advice and retirement solutions to those who teach, nurse, care, respond and help others in our communities.

The Fund consistently delivers strong long-term returns to keep fees low, so members can retire with more. A diverse range of investment options are provided to members along with access to advice about their super and the investment options available to them.



Investments are focused on delivering strong long-term returns. In addition, the Fund aims to not only benefit the environment but contribute to jobs in the communities where their members live, work and retire.

First State has achieved the highest platinum performance rating from independent ratings agency SuperRatings for the past decade and has consistently been awarded ChantWest's highest 5-apples rating. firststatesuper.com.au