



PUBLIC TRANSPARENCY REPORT

2023

Aware Super

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

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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?

Aware Super is a profit-for-member organisation and everything we do is for the benefit of our members, who are also part of the broader community. Through our investments in renewables, affordable housing, community and new technologies, we are helping to create jobs, contribute to a more productive economy and support the communities where our members live, work and retire. When we invest our members' money, our aim is to achieve strong long-term returns to drive the best retirement outcomes. A key part of delivering strong long-term returns is managing risk. Our responsible ownership approach integrates environmental, social and governance (ESG) considerations into our investment processes across all our investment options and asset classes. By effectively managing ESG issues, we can help the companies we invest in find new opportunities, steer capital towards morfesa

- strive to achieve net zero greenhouse gas emissi

Governance: corporate culture

During the year, there was expanded focus on corporate culture – specifically on sexual harassment in the mining industry. Both the 2021 West Australian Government's inquiry into sexual harassment against women working in the mining industry as part of a fly in, fly out (FIFO) workforce and the Everyday Respect Report (the Broderick Review) found concerning anecdotal evidence of behaviours and practia & Revt

2. Advance Aware Super's physical climate risk assessment & climate adaptation plans for the most likely impacted assets
3. Implement a robust internal carbon pricing methodology across investment sectors
4. Continue to establish a leading climate risk analysis roadmap including climate scenario analysis
5. To be at the forefront of inve

ASSETS UNDER MANAGEMENT

ALL ASSET CLASSES

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\$ 108,048,241,206.00
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(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
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(C) AUM subject to execution, advisory, custody, or research advisory only	US\$ 0.00
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ASSET BREAKDOWN

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%	>0-10%
(D) Real estate	>0-10%	>0-10%
(E) Infrastructure	>0-10%	>0-10%
(F) Hedge funds	0%	>0-10%
(G) Forestry	0%	>0-10%
(H) Farmland	0%	0%
(I) Other	>0-10%	>0-10%
(J) Off-balance sheet	>0-10%	>0-10%

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

Credit Income

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

Credit Income

(J) Off-balance sheet - (1) Percentage of Internally managed AUM - Specify:

Cash

(J) Off-balance sheet - (2) Percentage of Externally managed AUM - Specify:

Cash



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	>50-75%	0%	0%	>0-10%	0%
(B) Passive	>10-50%	>75%	>0-10%		

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%
(D) Fixed income - passive	>75%	0%
(E) Private equity	0%	>75%
(F) Real estate	0%	>75%

(G) Infrastructure 0% >75%

(H) Hedge funds 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%

(B) Active – quantitative >75%

(C) Active – fundamental >10-50%

(D) Other strategies 0%

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 >0-10%

(F) Private debt 0%

ASSET BREAKDOWN: INTERNALLY MANAGED REAL ESTATE



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

(A) Retail 0%

(B) Office 0%

(C) Industrial >10-50%

(D) Residential 0%

(E) Hotel 0%

(F) Lodging, leisure and recreation >10-50%

(G) Education 0%

(H) Technology or science 0%

(I) Healthcare 0%

(J) Mixed use >10-50%

(K) Other >10-50%

(K) Other - Specify:

Retirement living

MANAGEMENT BY PRI SIGNATORIES

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

>75%

GEOGRAPHICAL BREAKDOWN

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%
(F) Private equity	(2) >0 to 10%
(G) Real estate	(2) >0 to 10%
(H) Infrastructure	(2) >0 to 10%
(I) Hedge funds	(2) >0 to 10%

STEWARDSHIP

STEWARDSHIP

“ ”

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE					

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

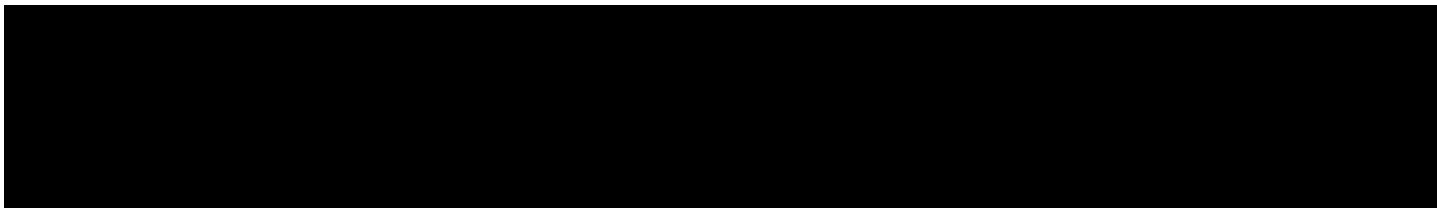
	(1) Listed equity - active	(2) Listed equity - passive	(3) Fixed income - active	(4) Fixed income - passive	(5) Private equity
(A) Yes, through internal staff					
(B) Yes, through service providers					
(C) Yes, through external managers					
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	(6) Real estate	(7) Infrastructure	(8) Hedge funds	(9) Forestry	(11) Other
(A) Yes, through internal staff					
(B) Yes, through service providers					

(C) Yes, through external managers

(D) We do not conduct stewardship

STEWARDSHIP: (PROXY) VOTING



Does your organisation have direct investments in listed equity across your hedge fund strategies?

- (A) Yes
- (B) No

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

(B) Yes, through service providers

(C) Yes, through external managers

(D) We do not conduct (proxy) voting

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

(11) >90 to <100%

(B) Listed equity - passive

(11) >90 to <100%

STEWARDSHIP NOT CONDUCTED

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

(B) Listed equity - active - quantitative	<input type="radio"/>
(C) Listed equity - active - fundamental	<input type="radio"/>
(E) Fixed income - SSA	<input type="radio"/>
(F) Fixed income - corporate	<input type="radio"/>
(G) Fixed income - securitised	<input type="radio"/>
(J) Real estate	<input type="radio"/>
(K) Infrastructure	<input type="radio"/>
(V) Other: Credit Income	<input type="radio"/>

EXTERNAL MANAGER SELECTION

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

(B) Listed equity - passive

100

(C) Fixed income - active

(D) Fixed income - !

EXTERNAL MANAGER APPOINTMENT

MA

EXTERNAL MANAGER MONITORING

ESG IN OTHER ASSET CLASSES

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

Internally managed

(C) Other

We take no risk

ESG STRATEGIES

LISTED EQUITY

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



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

	(1) Fixed income - SSA	(2) Fixed income - corporate	(3) Fixed income - securitised
(A) Screening alone	0%	0%	0%
(B) Thematic alone	0%	0%	0%
(C) Integration alone	0%	0%	0%
(D) Screening and integration	>75%	>75%	>75%
(E) Thematic and integration	0%	0%	0%
(F) Screening and thematic	0%	0%	0%
(G) All three approaches combined	0%	0%	0%
(H) None	0%	0%	0%

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

	(1) Fixed income - SSA	(2) Fixed income - corporate	(3) Fixed income - securitised
(A) Positive/best-in-class screening only	0%	0%	0%
(B) Negative screening only	>75%	>75%	>75%
(C) A combination of screening approaches	0%	0%	0%

ESG/SUSTAINABILITY FUNDS AND PRODUCTS

LABELLING AND MARKETING

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

Additional information: (Voluntary)

Our Socially Conscious options are managed with specific restrictions and exclusions known as screens. They seek to avoid investments in industries and companies recognised

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

Provide the percentage of AUM that your labelled and/or certified products and/or funds represent:

>0-10%

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

Which ESG/RI certifications or labels do you hold?

- (A) Commodity type label (e.g. BCI)
- (B) GRESB
- (C) Austrian Ecolabel (UZ49)
- (D) B Corporation
- (E) BREEAM
- (F) CBI Climate Bonds Standard

(AE) People's Bank of China green bond guidelines

(AF) RIAA (Australia)

(AG) Towards Sustainability label (Belgium)

(AH) Other

SUMMARY OF REPORTING REQUIREMENTS

SUMMARY OF REPORTING REQUIREMENTS

(X) External manager selection, appointment and monitoring (SAM) – private equity

(Y) External manager selection, appointment and monitoring (SAM) – real estate

(Z) External manager selection, appointment and monitoring (SAM) – infrastructure

(AA) External manager selection, appointment and monitoring (SAM) – hedge funds

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

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 opnM-MMM

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

(A) Overall approach to responsible investment

Add link:

<https://aware.com.au/member/investments-and-performance/our-approach-responsible-ownership>

(B) Guidelines on environmental factors

Add link:

<https://aware.com.au/member/investments-and-performance/our-approach-responsible-ownership/our-approach->

<https://aware.com.au/content/dam/ftc/digital/pdfs/about/policies/RI-ESG-policy.pdf>

(O) Stewardship: Guidelines on (proxy) voting

Add link:

<https://aware.com.au/content/dam/ftc/digital/pdfs/about/policies/RI-ESG-policy.pdf>

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

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:

Apart from some limited requirement around disclosure, the RSE licensee law does not set minimum standards or provide guidance on ESG issues.

The 'sole purpose test' arising from the Superannuation Industry (Supervision) Act 1993 (SIS Act) requires a trustee to pursue activities relevant to the interests of its members. These legal requirements are expressed in reasonably broad terms.

The SIS Act imposes a set of key covenants on a trustee, including:

- to ensure the trustee's duties and powers are performed and exercised in the best financial interests of the beneficiaries, and
- to formulate and give effect to an investment strategy that has regard to the whole of the circumstances of the fund, including (among other things) the risk involved in making, holding and realising, and the likely return from, the fund's investments having regard to its investments and expected cash flow requirements.

Where Aware Super has analysed the overall costs, risk and return profile of an investment, which may include consideration of ESG risks, it reasonably believes that it will have properly discharged its legal obligations under the SIS Act.

The Trustee believes that identifying and managing ESG factors helps in finding new opportunities, steering capital to

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

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

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

- (A) W

Add link(s):

<https://aware.com.au/content/dam/ftc/digital/pdfs/about-igi>

- (10) >90% to <100%
- (11) 100%

(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%

(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%

(I) Other

(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%

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

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:

The Chief Investment Officer is responsible for overseeing the im

Investment Committee - responsible for:

- approving changes to the Responsible Investment policy
- reviewing and noting the results of the Responsible Investment (RI)/ESG 6 monthly Report and PRI Report on Progress

(D) Head of department, or equivalent

Specify department:

Head of Responsible Investment - responsible for:

- ensuring ESG issues are integrated in the Fund's investment process which specifically includes Climate Change and Modern Slavery
- approving all proxy voting decisions
- managing the engagement and advocacy program

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

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

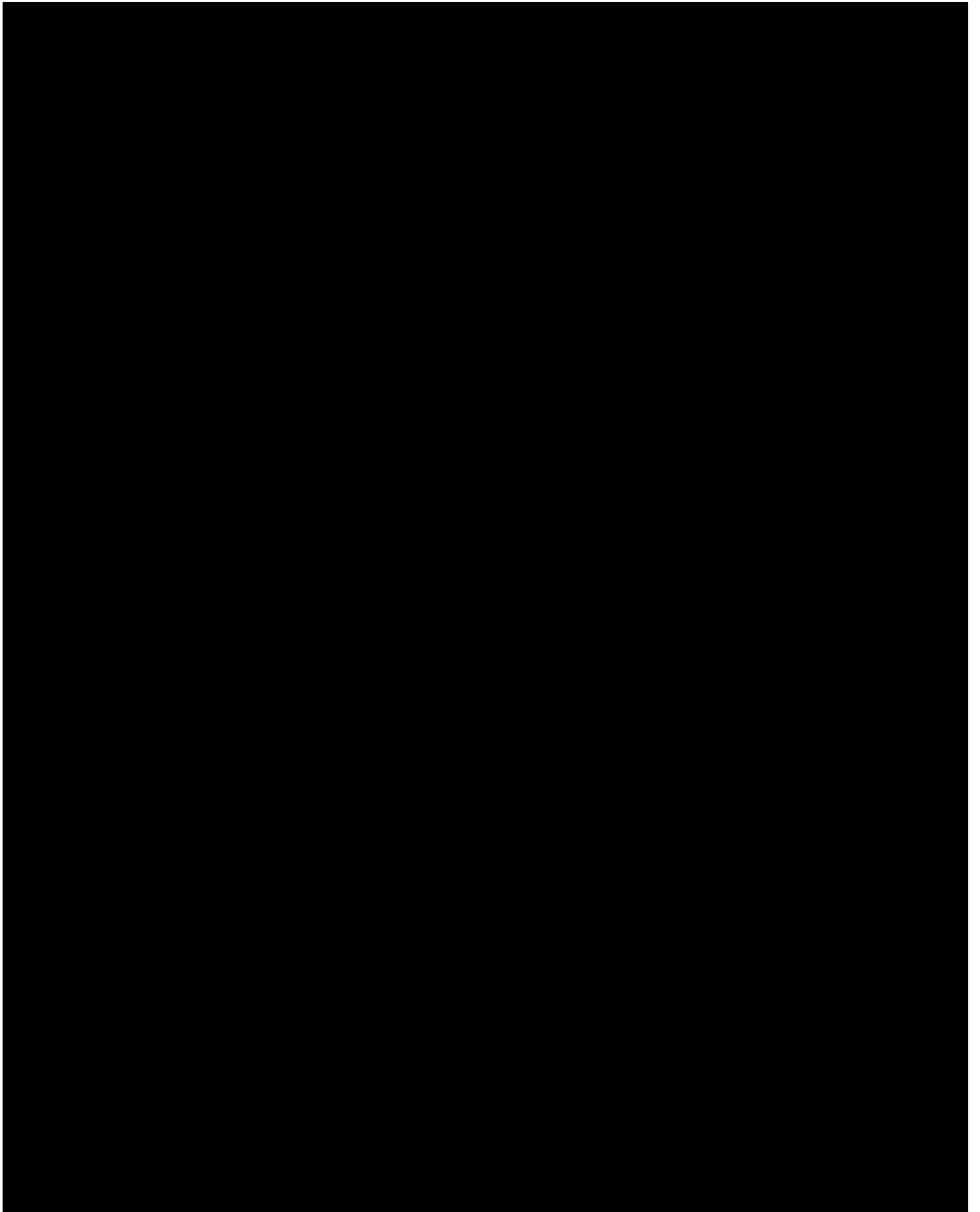
(A) Overall approach to responsible investment

(B) Guidelines on environmental, social and/or governance factors

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

(E) Specific guidelines on human rights (may be part of guidelines on social factors)

(H) Guidelines on exclusions



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

(A) Internal role(s)

Specify:

Chief Investment Officer, Head of Responsible Investment, Responsible Investment team; Investment portfolio managers and analysts

(B) External investment managers, service providers, or other external partners or suppliers

Specify:

External fund managers, service providers such as ACSI, Federated Hermes Eos

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)

Indicate whether these responsible investment KPIs are linked to compensation

(1) KPIs are linked to compensation

- (2) KPIs are not linked to compensation as these roles do not have variable compensation
- (3) KPIs are not linked to compensation even though these roles have variable compensation

Describe: (Voluntary)

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

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

EXTERNAL REPORTING AND DISCLOSURES

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
- o (K) W AW

M

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

STRATEGY

CAPITAL ALLOCATION

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

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 ss runs

STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Identifying, research and prioritising defines our engagement approach – as described below. We utilise direct and collaborative engagements to achieve our engagement objectives and have created a monitoring tool, the “Engagement Matrix”, to ensure our engagement remains relevant.

1. Engagement topics are identified by one or more of the following:

- Monitoring of ESG themes and trends identified from media, member queries, legal or regulatory proceedings, consultant and broker ESG research and reports.
- Using the ESG ratings from our own analysis &/or portfolio analytics (ISS research).
- Discussing material holdings with the investment managers and monitoring external manager reports.
- Proxy voting activity – where we have voted AGAINST certain company resolutions – e.g., board composition; remuneration structures.
- Stakeholder engagement – e.g. unions; industry associations; investment committee.

2. We conduct further research on the topic:

- Understand the severity and timing of the issue.
- Consulting our proxy advisers, engagement partners (e.g., ACSI) and brokers to understand if they are aware and have engaged already on the same or even different issues.

3. Companies are then prioritised for engagement by:

- How they align to key themes in our Engagement Strategy
- Using the “Engagement Matrix”. Our “Engagement Matrix’ monitoring tool tracks how ASX300 companies rate on multiple themes using numerous datasets from exte

(C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers

Select from the list:

2

(D) Informal or unstructured collaborations with investors or other entities

Select from the list:

5

(E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar

Select from the list:

3

o (F) We do not use any of these channels

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 26	PLUS	OO 8, OO 9, PGS 1	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation ensure that its policy on stewardship is implemented by the external service providers to which you have delegated stewardship activities?

(A) Example(s) of measures taken when selecting external service providers:

Aware Super has a number of policies and principles relating to the appointment of service providers. All service providers must demonstrate compliance with the following set of principles:

- The acquisition must directly or indirectly improve the service offering to members, such that it can be demonstrated that the best interests of members are served by the acquisition
- The acquisition must be aligned, and progress the corporate strategy
- Aware Super must be able to manage any associated risks, including reputational and regulatory risks
- Aware Super must be able to manage all key internal and external conflicts without materially impacting the investment return of the asset
- Aware Super must have or be able to secure the necessary expertise, either internally or via outsourced service arrangement to oversee and or operate the relationship / business
- Have a clear exit strategy should business conditions or priorities change
- Have an arm's length service arrangement in place with the service provider
- Ensure our procurement policy has been adhered to

Other areas that are assessed include:

- The governance structure of the entity
- Policies and procedures including those related to ethical business practices and Modern Slavery
- Requisite and experienced staff to provide the service
- Alignment to Aware Super's Responsible Ownership approach

(B) Example(s) of measures taken when designing engagement mandates and/or consultancy agreements for external service providers:



All services are provided under a contractual agreement that set out the relationship and services to be provided including timing and delivery. Additionally, on an annual basis, ACSI and Aware Super as a member (and with other members) create and agree a list of engagement target companies with specific objectives for each. ACSI implements these engagement plans through constructive engagement with ASX300 boards. ACSI monitors and reports progress back to members semi-annually through half-year and full-year reports and on-demand through its online portal 'ACSI Delta'

(C) Example(s) of measures taken when monitoring the stewardship activities of external service providers:

We have the opportunity to provide input into the Engagement Plan and themes of our providers.

We also receive regular reporting from our service providers on their engagement activities as well as our dedicated International engagement report.

We have formal review meetings with our service providers; can provide feedback at any time through a client representative and complete an annual survey.

As a member of ACSI we are a representative on ACSI's key decision-making and monitoring groups (the Board and the Member Advisory Council). This ensures strong alignment between ACSI's philosophy and our goals, and an effective mechanism for ongoing monitoring of our ACSI activities.

How are your organisation's stewardship activities linked to your investment decision making, and vice versa?

At Aware Super, the overarching objective of our Environmental, Social and Governance (ESG) strategy is to ensure we identify and manage any ESG related risks to which the Fund has an exposure, in order to provide the best possible chance of sustainable value creation over the long term. To achieve our objectives, we have committed to:

1. Being aware of, and monitoring, the key ESG issues through our investment processes (ESG integration) and engagement with investee companies.

- We pur

For international listed investments, Eos at Federated Hermes will engage on behalf of Aware Super. Engagement is also conducted by the Fund's investment managers who provide updates in their reporting and/or during meetings with the Investment team. In addition, the Aware Super may, from time-to-time, participate in joint engagement in conjunction with the PRI and other collaborative initiatives, for example IAST-APAC, 40:40 Vision and Climate Action 100+.

Where engagement has not led to the achievement of the objective set out in the plan within the set timeframe, escalation techniques will be considered. This can include one or more of the following:

- voting against a director, remuneration report or supporting a shareholder proposal
- making an AGM Statement
- raising a Shareholder proposal.

Where these tools / actions do not result in the expected outcomes from a company and there is no improvement that may lead to an unsustainable business model or potentially stranded assets, the RI team will make a recommendation to the IC to divest, in line with the Fund's Exclusion Framework.

STEWARDSHIP: (PROXY) VOTING

When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your or]

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your

(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

(1) for all votes

(1) for all votes

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

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

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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 monitor our voting through a voting platform and use that portal to confirm our votes have been recorded. Additionally, our service provider, ACSI, continues to monitor and engage regulators about improving the voting process. ACSI has participated in discussions and commissioned research about administrative complexities, costs, potential failures and improvements that can be made. The evidence base for the advocacy work ACSI has conducted on this topic is a research project in 2012 titled 'Institutional Proxy Voting in Australia'. Voting by a show of hands has also been another focus area. ACSI is part of the ASX Corporate Governance Council, which released Principles and Recommendations including 6.4: "A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands." ACSI actively supported this change through our submission and Council membership. Directly, and through collaborations with international investors, ACSI continually asks companies to cease using 'show of hands' processes at AGMs/EGMs. These efforts have seen a dramatic reduction in companies adopting that practice over time.

STEWARDS

(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings

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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

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



Describe your approach to escalation for your internally managed SSA and/or private debt fixed income assets.

(A) SSA - Approach to escalation

If our engagement with our private debt issuers is not successful, we may not re-invest with them.



STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

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

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ACSI (of whom we are a member) participates in a Natural Capital Working Group run by the Australian Government, The Australian Securities and Investments Commission's Corporate Governance Consultative Panel, and The ASX Corporate Governance Council.

Through our service provider, EOS, we use a range of mee s

(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.

We advocate for diversity among Australian boards and executive teams. We believe companies that aren't focused on diversity are missing out on opportunities for idea generation and innovation. Change at the top inspires change across the broader workforce. Diversity is a large contributor to a company's culture. It filters through from the board to management and the general workforce. An inclusive workforce means everyone feels valued, which in turn can motivate positive behaviours. For companies to create long-term value, they need to recognise and embrace the value of diversity in their people. While our focus to date has been on gender, we are seeking to understand how companies consider diversity more broadly, including age, ethnicity, education and professional experience.

Case Study - South32:

As an owner of South32 (S32) a focus for us is on the issue of gender diversity in the company, with a particular focus on women in mining and safety of women in their workplace. We met with members of S32 Board and Management to understand their strategy for identifying issues, implementing change, incident reporting, demonstrating accountability and where improvements have been made. Encouragingly, S32 have committed to getting 40% women employed across their whole workforce by 2029 and by FY27, they have targeted a similar ratio at senior levels. The Board acknowledged the issue of safety of their female workforce and have adopted various forms of incident reporting as well as introducing rules around the consumption of alcohol as it relates to their fly in fly out sites. They have also made changes to their leadership team in the past 12 months, with two women moving into C-suite roles.

Taking action on gender diversity in Australia:

Progress of women at board level has been trending upwards and this follows strong encouragement from investors. Women now make up 33.6% of ASX300 Board Directors, with 11% in Ch_indstrib peri

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

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

(A) Yes, within our standard planning horizon

(B) Yes, beyond our standard planning horizon

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

The climate-related risks considered include:

Physical Risks: Aware Super recognises the potential for increased physical climate risks in the future, including on our investments. The importance of assessing physical climate risks to investments in the short, medium and long term therefore is ever increasing. Assessment of physical climate risks remains challenging. Understanding where, what and when particular regions and therefore individual investments may be affected is not possible. What is developing however is a more sophisticated approach to overlay likely physical climate scenarios to regions and investments based on their location. The significance of this approach is the ability to then start to assess the potential adaptations or capital expenditure that our investments may need in order to remain resilient and operational in a changing climate and in the face of extreme climatic events.

During the year we have continued to build out our desktop assessment during ESG due diligence to determine potential acute and/or chronic physical risks in prospective direct investments. Where deemed appropriate, we have additionally worked with a physical climate risk expert company to assess a range of potential physical climate hazards and their conceivable financial impacts at various junctures over the next 70 years.

The ongoing work on physical risk is anticipated to continue to develop in sophistication, and from that point enable us to better understand the range of risks and financial implications that may arise from physical climate events. It is deemed likejo

The implementation of new climate policy and regulation around the world continues to accelerate and the risks of not incorporating these changes into investment analysis increases.

Climate change poses a series of multifaceted and interconnected risks to society, nature and the economy. These medium- and long-term climate risks translate into investment risk and have the potential to impact our members' retirement outcomes. At Aware Super we recognise the need to consider both current and future climate risks to our investment portfolio.

At Aware Super we understand our purpose, delivering strong long-term returns so we can grow our members' retirement savings. Our approach to climate change upholds this purpose, to deliver strong long-term returns to our members through focusing our investment efforts on industries and companies that we believe are going to be sustainable in the long term. This does include considering investments through their ability to decarbonise or reduce emissions over time. This does not necessarily mean investing in low emissions companies only, it may also mean investing in companies that have high emissions now and need financing to help them succeed in reducing their emissions over time. The investment team understands there will be both lower and higher emitting companies in our portfolio - those companies that are already on their way to transitioning their business to low emissions and those companies that are going to find it harder to transition but that we believe can transition over time with the right economic support. This focus on contributing to the economy-wide climate transition supports why Aware Super does not necessarily exclude high emitting companies. The Aware Super climate-related investment strategy goes further and deeper than considering emissions only and it is with this context that our refreshed climate Transition Plan has been approved by the Aware Super Board in 2023.

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Aware Super's 2023 refreshed Climate Transition Plan consists of five pillars driving our strategic initiatives to address climate change risks and opportunities in our portfolio. These pillars are:

1. Decarbonisation
2. Portfolio transition & resilience
3. Investing in climate solutions
4. Being a leader in company climate engagement
5. Having an influential voice

These five pillars and the specific initiatives and objectives underneath them all align to our purpose, to deliver the best returns for our members, and our overarching goal to strive to reach net zero portfolio emissions by 2050.

Our Climate strategy cannot be a set and forget. As the glob]

- (J) Shipping
- (K) Aluminium
- (L) Agriculture, forestry, fishery
- (M) Chemicals
- (N) Construction and buildings
- (O) Textile and leather
- (P) Water
- (Q) Other
- (R) We do not have a strategy addressing high-emitting sectors

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) Y

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

Risk Identification Process:

Fund Managers:

- New fund manager assessments, including approach to climate change analysis
- Annual review includes a separate climate questionnaire of how the fund managers manage climate risk in their own business operations in addition to within the full investment lifecycle
- Ongoing engagement meetings with the appointed fund managers including specific climate risk assessment, monitoring and management examples

Investments:

- Initial ESG and climate assessments, bespoke to each investment
- Engagement meetings, where identified climate risks are discussed
- Assessment and consideration of climate-related shareholder resolutions
- Investment monitoring
- Annual review of investment, where appropriate

Climate scenario analysis:

During the 2022-2023 financial year, Aware Super voluntarily participated in the Australian Prudential Regulation Authority (APRA) Climate Risk self-assessment survey. This was an important opportunity for Aware Super to measure our climate risk approach against our regulator's expectations. This provided a very valuable opportunity to further develop our climate risk roadmap to ensure we continue to exceed the regulatory recommendations and that we are well prepared for future regulatory requirements on the management and reporting of climate risk.

In the context of investment climate risk specifically, we use a range of frameworks, processes and tools to assess, manage and monitor climate risks, as well as opportunities, within the investment portfolio.

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

(1) Describe your process

Climate change poses complex risks to society, nature and the economy - and our members' retirement outcomes. Our investment approach looks at both present and future climate risks.

Since 2015, we've actively considered the impact of climate change in our investment approach, drawing on the latest climate science and global best practice.

Through our focus on risk and opportunity, we aim to secure long-term returns for our members while positively impacting society and nature.

Our Climate Change Portfolio Transition Plan (Transition Plan) was approved by the board in early 2020 and has been refreshed in 2023. The updated plan provides the framework to guide the action needed to navigate the systemic and structural shifts ahead. Our refreshed Transition Plan has 5 pillars that enable us to manage climate-related risks:

1. Decarbonisation
2. Portfolio transition and resilience
3. Investing in climate solutions
4. Being a leader in company climate engagement
5. Having an influential voice

The 5 pillars align to our purpose: to deliver the best returns for our members, and our goal to reach net zero portfolio emissions by 2050.

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

At Aware Super we have a sophisticated risk management process that encompasses a wide range of risks, including investment, operational, reputational and regulatory. Risk is ultimately owned by the Chief Risk Officer, however, it is the responsibility of all employees to be aware of and integrate the risk framework into their roles where appropriate.

For the 2023 financial year, climate-related risks were elevated from being solely monitored and managed within the investment risk capability, to being incorporated into the wider risk taxonomy as part of the ESG material risk. The material risks, including ESG material risk, are assessed quarterly as part of the investment processes. The results of these assessments are overseen by the Audit, Risk and Compliance Committee and the Board, with action plans created where any of these material risks are found to be outside of our risk appetite. Climate change is now considered as a business unit risk under each group executive, ensuring it receives the broad spectrum of organisational consideration that climate risk warrants. The risk definition is designed to identify and manage climate change risk with wide risk parameters, covering physical, transition and liability climate risks identified through due diligence and ownership of our investments, as well as more broadly through our business operations and third-party service providers.

During the 2022-2023 financial year, Aware Super voluntarily participated in the Australian Prudential Regulation Authority (APRA) Climate Risk self-assessment survey. This was an important opportunity for Aware Super to measure our climate risk approach against our regulator's expectations. This provided a very valuable opportunity to further develop our climate risk roadmap to ensure we continue to exceed the regulatory recommendations and that we are well prepared for future regulatory requirements on the management and reporting of climate risk.

In the context of investment climate risk specifically, we use a range of frameworks, processes and tools to assess, manage and monitor climate risks, as well as opportunities, within the investment 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

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

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

(C) Internal carbon price

(D) Total carbon emissions

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

- o (1) Metric or variable used
- o (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://aware.com.au/content/dam/ftc/digital/pdfs/about/reportsaudits/reports/aware-super-responsible-investment-report-2022.pdf>

(E) Weighted average carbon intensity

(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

- o (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

(B) Scope 2 emissions

(C) Scope 3 emissions (including financed emissions)



Global Investors for Sustainable Development - Sustainable Development Investing definition and proprietary Aware Super framework

(K) Other regional framework(s)

Specify:

Aware Super proprietary Positive Impact Measurement Framework

(L) Other sectoral/issue-specific framework(s)

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

é (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

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

(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 af

There are significant human and social costs that can arise from poor company relationships with First Peoples. Poor practices can call into question a company's social license to operate and presents a clear investment risk.

ACSI and its members established a Working Group on Rights and Cultural Heritage Risk Management in late 2020 to better understand the financial risks inherent in poor company relationships with First Peoples, and to chart a path towards improved company practices. This led to ACSI setting out a policy and investor expectations (published in 2021) for how companies engage with First Nations people. The Working Group aims to see risks of harm effectively mitigated and managed through principled and constructive engagement between companies and First Peoples.

Explain how these activities were conducted:

Key activities in FY2022-2023

Company engagement

ACSI and its members engage with companies to support effective risk management and improvement in practices. ACSI has selected 11 priority companies for engagement, based on an assessment of risk and materiality. Drawing on ACSI's policy expectations, ACSI set objectives for these companies and developed a framework for company engagement. These objectives included:

- that companies embed Free Prior Informed Consent (FPIC) into their policies and practices;
- that they align with international standards of rights protection;
- that companies have effective risk management and oversight processes in place – ensuring that the board is accountable for a company's relationships with First Nations people.

ACSI also sought improved disclosure from companies on how they engage with First Nations people and support protection of their rights and cultural heritage, among other objectives.

ACSI and its members engaged with many of these priority companies (among others) at both board level and with executives, to discuss their relationships with First Nations people and how the companies are supporting the protection of rights and cultural heritage. ACSI assessed practices against its Policy expectations, and monitored company activities and disclosure, discussing concerns with relevant companies and seeking improvement in practices.

Policy advocacy

ACSI and the Working Group have contributed to legislative reform processes to advocate for the adoption of appropriate legal frameworks that support the management of risk. Where standards are not sufficiently high, this creates the potential for harm to First Nations people's rights and cultural heritage, which in turn creates investment risk. ACSI has advocated for policy and legislative change, to improve standards of protection of First Nations rights and cultural heritage, including:

- Engagement with policy makers on the need to implement the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) across Australia via a co-design process with First Nations people.
- ACSI support for a Voice to Parliament.
- Ongoing support for reform to Commonwealth cultural heritage legislation (co-design process).
- Submission to the Senate Inquiry on the Application of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) in Australia.
- Participation in the Western Australian Aboriginal Cultural Heritage Act 2021 Co-Design Process.

Engagement with First Nations groups

A key priority of the Working Group has been to consistently deepen our engagement directly with First Nations groups that are impacted by company operations to hear their perspectives. ACSI continues to reach out to Land Councils, Prescribed Bodies Corporate and First Nations representative bodies. ACSI has also organised discussions between First Nations representatives and members of the Working Group, to better understand concerns about company activities.

Participation in external initiatives

ACSI ion

- (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
- (B) Communities
- (C) Customers and end-users
- (D) Other stakeholder groups**

Specify:

Engagement with First Nations groups

A key priority of the ACSI convened Working Group on Rights and Cultural Heritage Risk Management has been to consistently deepen our engagement directly with First Nations groups that are impacted by company operations to hear their perspectives. ACSI continues to reach out to Land Councils, Prescribed Bodies Corporate and First Nations representative bodies. ACSI has also organised discussions between First Nations representatives and members of the Working Group, to better understand concerns about company activities.

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

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:

Used to assist with company engagement prioritisation and engagement plans

- (B) Media reports
- (C) Reports and other information from NGOs and human rights institutions**

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

Used to assist with company engagement prioritisation and engagement plans

(D) Country reports, for example, by multilateral institutions, e.g. OECD, World Bank

(E) Data provider scores or benchmarks

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

Used to assist with company engagement prioritisation and engagement plans

(F) Human rights violation alerts

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

Used to assist with company engagement prioritisation and engagement plans

(G) Sell-side research

(H) Investor networks or other investors

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

Aware Super is an active participant in a number of human rights related working groups including ACSI and RIAA. These forums are for learning and collaborating.

(I) Information provided directly by affected stakeholders or their representatives

(J) Social media analysis

(K) Other

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 how you enabled access to remedy directly for people affected by negative human rights outcomes we caused or contributed to through our investment activities

Engagement with First Nations groups

A key priority of the Working Group has been to consistently deepen our engagement directly with First Nations groups that are impacted by company operations to hear their perspectives. ACSI continues to reach out to Land Councils, Prescribed Bodies Corporate and First Nations representative bodies. ACSI has also organised discussions between First Nations representatives and members of the Working Group, to better understand concerns about company activities.

Participation in external initiatives

ACSI has participated in cross-organisational initiatives that are working in Australia and overseas to improve standards of rights and cultural heritage protection. This has included, for example:

- The Principles for Responsible Investment's Advance Initiative on Human Rights and Social Issues.
- The Australian Sustainable Finance Institute's working group on First Nations issues.

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(C) Governance structure and senior-level oversight and accountability

People and Culture

(D) Adequate resourcing and incentives

(E) Staff competencies and experience in responsible investment

Investment Process

(F) Incorporation of material ESG factors in the investment process

(G) Incorporation of risks connected to systematic sustainability issues in the investment process

(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment

Stewardship

(I) Policy(ies) or guidelines on stewardship

(J) Policy(ies) or guidelines on (proxy) voting

(K) Use of stewardship tools and activities

(L) Incorporation of risks connected to systematic sustainability issues in stewardship practices

(M) Involvement in collaborative engagement and stewardship initiatives

(N) Engagement with policy makers and other non-investee stakeholders

SELECTION

RESPONSIBLE INVES

Select from dropdown list

(1) for all of our mandates

- (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

STEWARDSHIP

During the reporting year, which aspects of the stewardship approach 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?

(A) The alignment of their policy(ies) or guidelines on stewardship with the investment mandate

Select from dropdown list

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

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

Select from dropdown list

(1) for all of our segregated mandates

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

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

Select from dropdown list

(1) for all of our segregated mandates

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

(F) Exclusion list(s) or criteria

Select from dropdown list

(1) for all of our segregated mandates

- o (2) for a majority of our segregated mandates
- o (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

- o (2) for a majority of our segregated mandates
- o (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

(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)

Organisation

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

(B) Responsible investment policy (es) (e.g. the continued alignment of their responsible

(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)

(G) Incorporation of risks connected to systematic

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 undertook a project to review and re-score our external investment managers in late 2022. This resulted in the updating and expansion of an ESG dashboard, which provides summaries for all asset classes. Subsequently, each sector team was presented with a dashboard of their manager scores. Work was then undertaken on identified laggard managers to engage with a view to improving their practices. This also highlights a further build out of embedding ESG into our overall investment process.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 12	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

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)

(A) At least annually

(B) Less than once a year

(C) On an ad hoc basis

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 13	CORE	OO 8, OO 21	N/A	PUBLIC	Stewardship	1, 2

For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' stewardship 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)

(A) Any changes in their policy(ies) or guidelines on stewardship

(B) The degree of implementation of their policy(ies) or guidelines on stewardship

(C) How they prioritise material ESG factors

(D) How they prioritise risks connected to systematic sustainability issues

(E) Their investment team's level of involvement in stewardship activities

(F) Whether the results of stewardship actions were fed back into the investment process and decisions

(G) Whether they used a variety of stewardship tools and activities to advance their stewardship priorities

(H) The deployment of their escalation process in cases where initial stewardship efforts were unsuccessful

(I) Whether they participated in collaborative engagements and stewardship initiatives

(J) Whether they had an active role in collaborative engagements and stewardship initiatives

(K) Other

(L) We did not monitor our external investment managers' stewardship practices during the reporting year

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For the majority of your AUM in each asset class where (proxy) voting is delegated to external investment managers, which aspects of your external investment managers' (proxy) voting practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?

(1) Listed equity (active)

(A) Any changes in their policy(ies) or guidelines on (proxy) voting

(B) Whether their (proxy) voting decisions were consistent with

(E) The application of their policy on securities lending and any implications for implementing their policy(ies) or guidelines on (proxy) voting (where applicable)

(F) Other

(G) We did not monitor our external investment managers' (proxy) voting practices during the reporting year

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ENGAGEMENT AND ESCALATION

Describe how your organisation engaged with external investment managers to improve their responsible investment practices during the reporting year

(1) Listed equity (active)

(2) Listed equity (passive)

(A) Engagement with their investment professionals, investment committee or other representatives

(B) Notification about their placement on a watch list or relationship coming under review

(C) Reduction of capital allocation to the external investment managers until any concerns have been rectified

(D) Termination of the contract if failings persist over a (notified) period, including an explanation of the reasons for termination

(E) Holding off selecting the external investment managers for new mandates or allocating additional capital until any concerns have been rectified

(F) Other

(G) Our organisation does not have a formal escalation process to address concerns raised during monitoring

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VERIFICATION

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)

(A) We checked that the information reported was verified through a third-party assurance process

(B) We checked that the information reported was verified by an independent third party

(C) We checked for evidence of internal monitoring or compliance

(D) Other

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

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(D) Other -a

CONFIDENCE-BUILDING MEASURES (CBM)

CONFIDENCE-BUILDING MEASURES

APPROACH TO CONFIDENCE-BUILDING MEASURES

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

o (H) We did not verify the information submitted in our PRI report this reporting year

INTERNAL REVIEW

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

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