

ES90QW

Question: Please provide the titles of all externally commissioned reports over the past five years that have reviewed any of the following:

- (a) Performance of funds.*
- (b) Investment strategies for funds.*
- (c) Conflicts of interest for funds.*

Answer: During the relevant period the Fund has engaged JANA as its asset consultant. JANA provides regular reporting and analysis on the Fund's investment strategy, the performance of markets, investment performance and investment opportunities. The Fund has not commissioned reports on the performance of the Fund, its investment strategy or conflicts of interest beyond the regular services provided by JANA.

ES91QW

Question: For each fund where more than 30 per cent of capital is managed by another entity, please complete the below table including:

- (a) The name of the fund.*
- (b) The allocation of capital as a percentage of the total capital held by the fund.*
- (c) The allocation of capital of the total capital held by the fund.*
- (d) The entity managing the capital.*
- (e) Whether you are a shareholder in that entity.*

Fund	Allocation of fund capital		Managing entity	Shareholder
	%	\$		
Australian Shares Option - Accumulation	43%	\$102mn	Plato Investment Management	No
Australian Shares Option - Pension	42.88%	\$16mn	Plato Investment Management	No
Fixed Interest option - Accumulation	45.85%	\$18mn	Janus Henderson	Yes ¹
	54.10%	\$22mn	PIMCO	No
Fixed Interest option - Pension	45.85%	\$12mn	Janus Henderson	Yes ¹
	54.10%	\$14mn	PIMCO	No
Cash Enhanced Option - Accumulation	37.21%	\$142mn	First Sentier	No
Cash Enhanced Option - Pension	38.85%	\$57mn	First Sentier	No
Indexed Balanced Option - Accumulation	100%	\$16mn	Macquarie	Yes ¹
Indexed Balanced Option - Pension	100%	\$4mn	Macquarie	Yes ¹
SRI option - Accumulation	100%	\$25mn	AMP	No
SRI option - Pension	100%	\$4mn	AMP	No

¹ Energy Super owns a small amount of these Fund Managers' listed stocks as part of its listed equity investments.

ES92QW

Question: If you do have capital managed by another entity that you are also a shareholder in, please identify how you manage conflicts of interest.

Answer: The Fund has investments in certain listed companies as part of portfolios held by its investment managers, which companies may own entities that manage assets on behalf of the Fund, for example, the fund holds shares in Janus Henderson and Macquarie Bank which in turn manage, or have subsidiaries that manage, certain assets on behalf of the Fund.

The Fund complies with, amongst other obligations, APRA's prudential standards and subsidiary guidance documents which include various requirements in relation to members' best interests, outsourcing arrangements and conflicts of interest, which are incorporated into the Fund's Investment Governance Framework and includes the Outsourcing Policy and Conflicts of Interest Policy.

In addition to these policies, the Fund's Governance Framework includes reporting and monitoring procedures with oversight by the Board and various Board Committees including the Investments Committee and the Audit, Compliance and Risk Committee which includes overseeing conflicts of interests, their disclosure and appropriate management in relation to responsible persons, staff and material outsource providers.

ES93QW

Question: Please provide details of the following reduction to remuneration packages since 11 March 2020:

- (a) Board members.*
- (b) The chief executive.*
- (c) Executive management.*

Answer: Board and executive remuneration is disclosed annually in accordance with regulatory obligations, and will be released for the relevant period as part of the Fund's Annual Report in October 2020.

ES94QW

Question: Is the fund considering divestment from pure play fossil fuel producers in order to mitigate climate-related financial risks and to increase the cost of capital for those producers?

If not, how has the fund arrived at the conclusion that this approach would not be in members' best interests?

Answer: The Fund employs an outsourced investment model, where investment managers are appointed by Energy Super to manage investments on behalf of the Fund.

As required by the SIS Act, the Trustee when formulating its investment strategy for investment options considers the risk and returns from investments, diversification, liquidity, valuation and other factors including ESG considerations whilst acting in the best interest of members, focusing on maximising financial outcomes at all times as required by law.

Further, stakeholders including members and regulators have also made it clear that the Trustee consider climate related financial risks. Climate risk is considered a material risk under the Fund's Risk Management Framework.

The Fund also has an ESG (Environmental, Social and Governance) Policy assists the Trustee with regards to integrating Environmental, Social and Governance considerations within all investment decision making.

With regards to divestment specifically, the ESG Policy does not equate to positive or negative screening of any investments.

The Trustee through its investment managers and with the assistance of Energy Super's investment consultant JANA considers climate related financial risks including (but limited to) stranded asset risk, carbon intensity, transition risk in the assessment of all investments.

Energy Super's approach is one of active ownership where we to engage with company management as a shareholder and take action as appropriate including voting for or against shareholder resolutions and direct consultation. If in the event as a result of ineffective engagement, it is most likely at that point the Fund may choose to divest an investment.

Lastly, Energy Super through its investment portfolio invests in renewable energy and other technologies to help mitigate and reduce climate related financial risks.