

# ACTIVE SUPER ESG RISK REPORT

June 2022

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# INTRODUCTION

Active Super recognises ESG factors and sustainability as important considerations in achieving superior long-term investment returns and reducing risk for our funds.

Active Super's Responsible Investment approach uses a combination of negative screening to limit our exposure to companies with a high ESG risk profile and positive screening to identify positive impact investments. Active Super is proud to be included in the PRI 2020 Leaders' Group for ESG integration.

*Signatory of:*



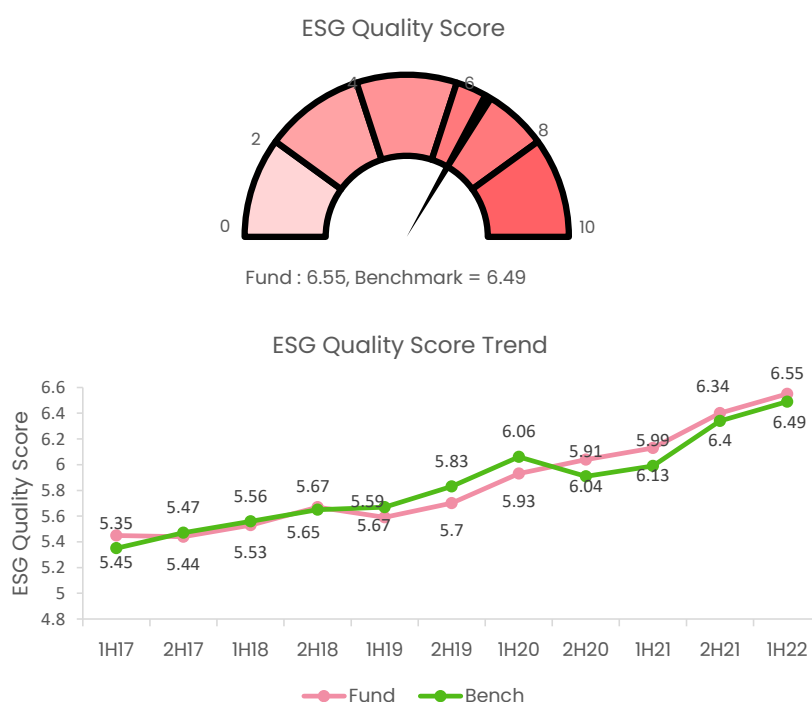
## ACTIVE SUPER INTERNATIONAL EQUITIES PORTFOLIO

### ESG quality score

The ESG quality score provides an indication of constituent companies' ability to manage risk and opportunities arising from ESG exposures in the Active Super International Portfolio.

In the First-Half of 2022, the ESG Quality Score was 6.55 compared with 6.3 in 2021 with a 5-year moving average of 5.8.

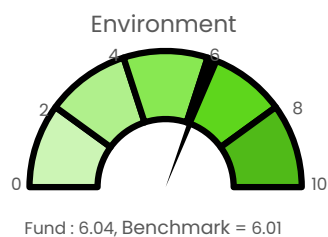
Key ESG Quality Score detractors within the Active Super International Portfolio include the Consumer Financial Protection Pillar.



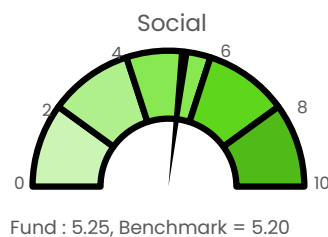
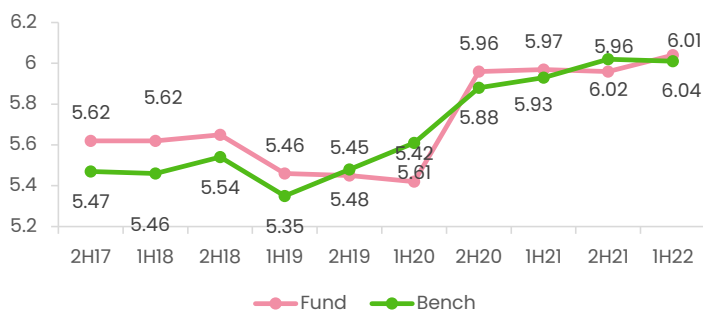
## ESG pillars score

ESG Pillars Score provides a breakdown of constituent companies' exposure to each individual ESG Pillar in the Active Super International Portfolio.

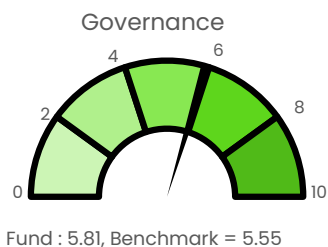
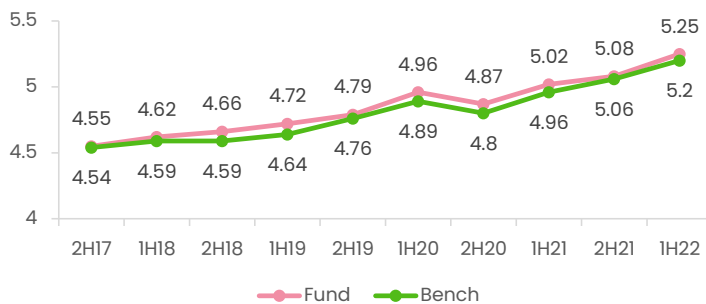
In the First-Half of 2022, 'Governance' was the best performing pillar (4.68% above benchmark while 'Environment' was the worst performing pillar (0.50% above benchmark).



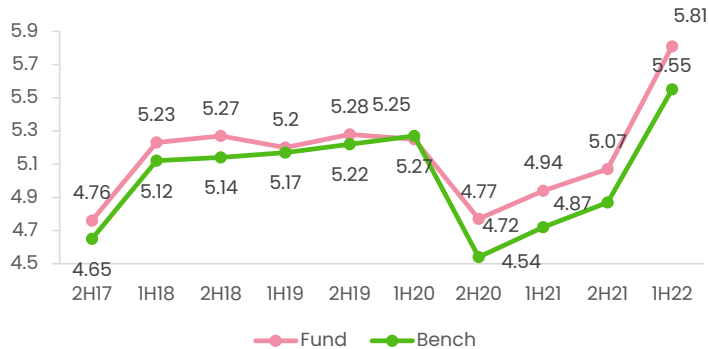
Environment Trend



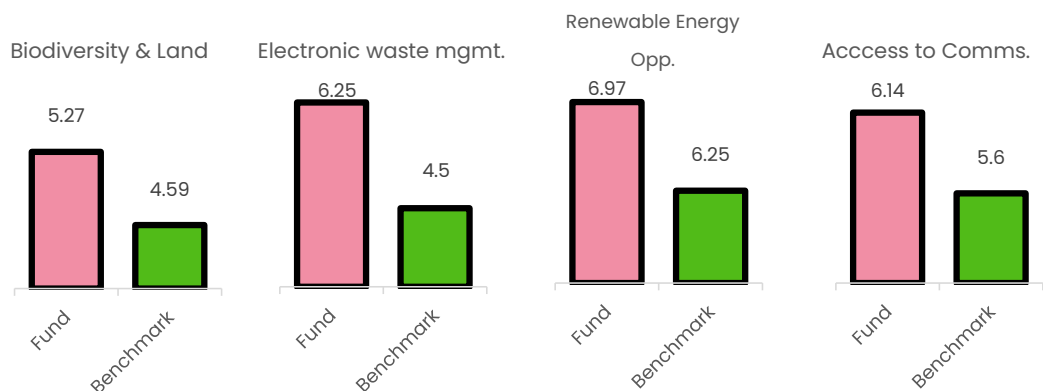
Social Trend



Governance Trend



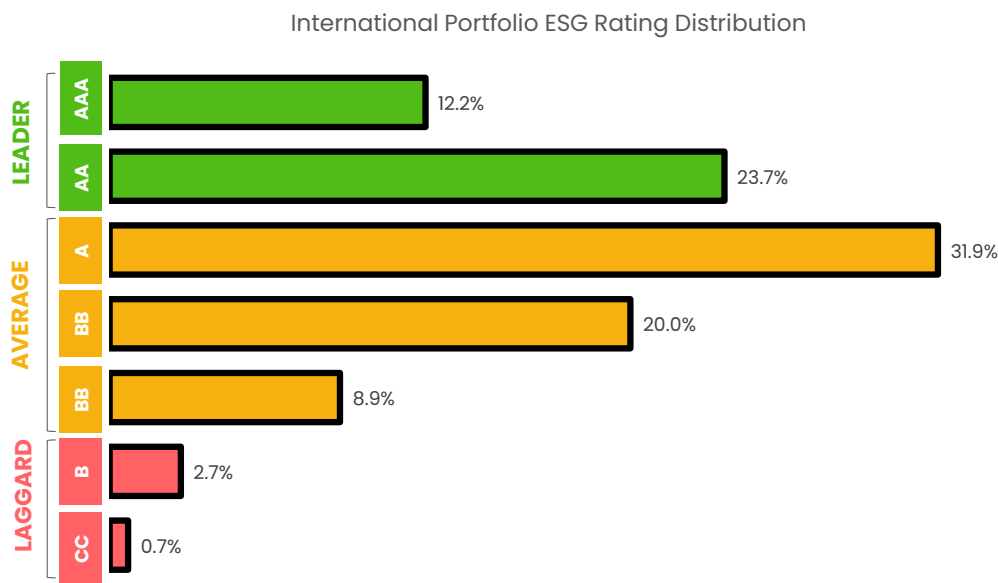
# Top-performing ESG categories



# ESG rating distribution

A higher ESG rating indicates that portfolio constituents demonstrate stronger and/or improving management of financially relevant ESG issues. The underlying companies may be more resilient to disruptions arising from ESG events.

35.8% of the International Portfolio was invested in ESG Leaders compared with 35.08% in the International Benchmark.



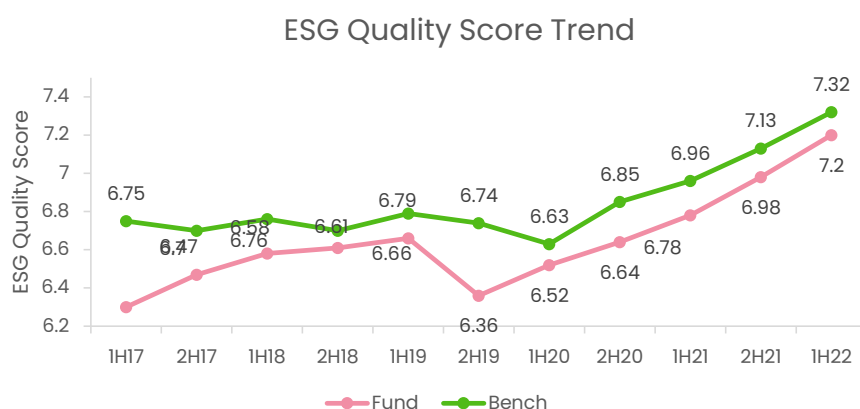
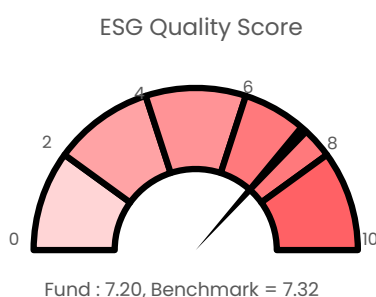
# ACTIVE SUPER AUSTRALIAN EQUITIES PORTFOLIO

## ESG quality score

The ESG Quality Score provides an indication of constituent companies' ability to manage risk and opportunities arising from ESG exposures in the Active Super Australian Portfolio.

In the First-Half of 2022, the ESG Quality Score was 7.20 compared with 6.88 in 2021 with a 5-Year moving average of 6.59.

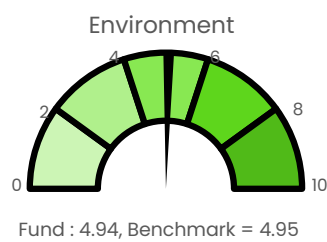
Key ESG Quality Score detractors within the Active Super Australian Portfolio include the Electronic Waste sector.



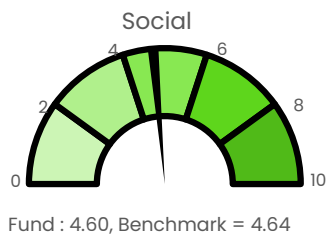
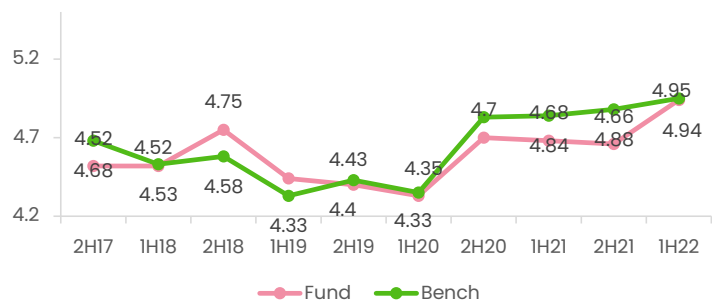
## ESG pillars score

ESG pillars score provides a breakdown of constituent companies' exposure to each individual ESG Pillar in the Active Super Australian Portfolio.

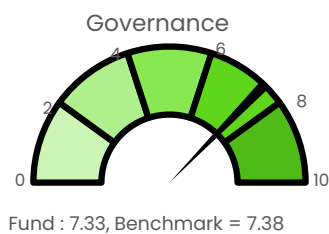
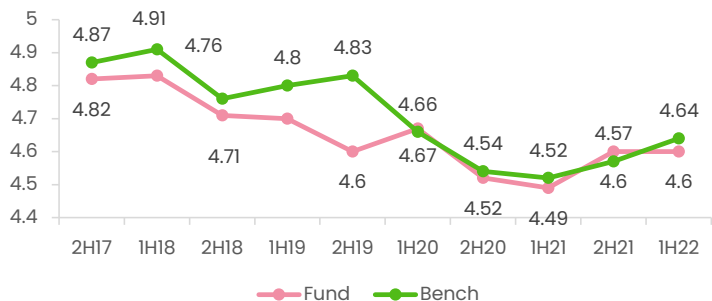
In the First-Half of 2022, 'Environment' was the best performing pillar (0.20% below benchmark while 'Social' was the worst performing pillar (0.86% below benchmark).



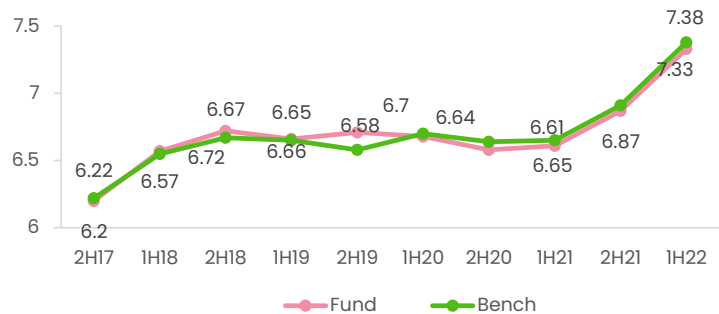
Environment Trend



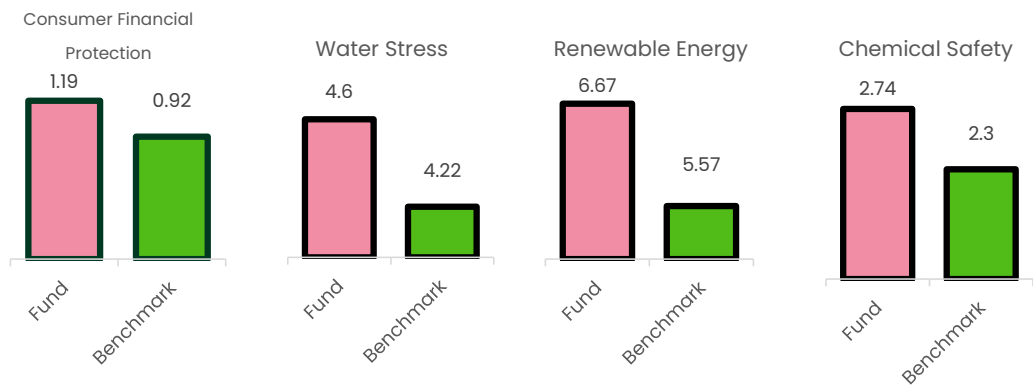
Social Trend



Governance Trend



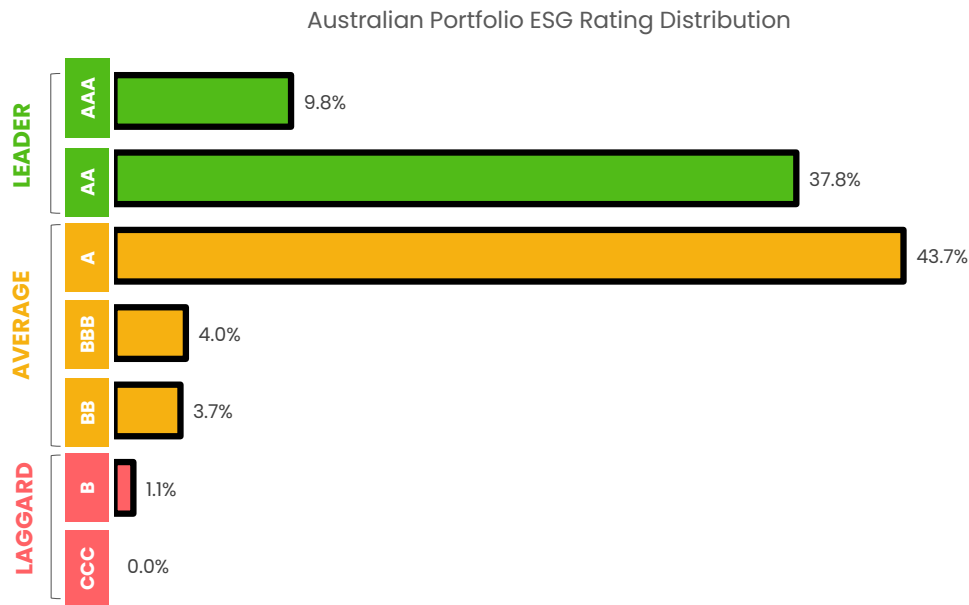
# Top-performing ESG categories



# ESG rating distribution

A higher ESG rating indicates that portfolio constituents demonstrate stronger and/or improving management of financially relevant ESG issues. The underlying companies may be more resilient to disruptions arising from ESG events.

47.6% of the Australian Portfolio was invested in ESG Leaders compared with 50.2% in the Australian Benchmark.



1. International Benchmark : MSCI ACWI ex. Australia, Australian Benchmark : MSCI Australia IMI.  
 2.The report above has been prepared using data provided by MSCI ESG Research.