



# ESG Risk Management Policy

**Suncorp Portfolio Services Limited**

ABN 61 063 427 958

AFSL 237905

RSE Licence No. L0002059

Suncorp Master Trust ABN 98 350 952 022

**Status: FINAL**

**Version: v1.0**

**Date: 23 October 2015**

## **1 INTRODUCTION**

### **1.1 PURPOSE**

Under FSC Standard No.20 (Standard) all FSC members who are trustees operating a registrable superannuation entity (RSE) are required to implement and develop an 'Environmental Social Governance (ESG) Policy' and disclose that policy to RSE members publically.

### **1.2 APPLICATION**

The Standard applies only in relation to an RSE's employer default superannuation product offered by relevant 'MySuper' authorised RSEs, which includes Suncorp Portfolio Services Limited (the **Trustee**).

This document constitutes the ESG Risk Management Policy for the Trustee as required by Standard and only addresses the ESG approach as it applies to the Trustee's 'MySuper' product – Suncorp Lifestage Fund in which MySuper members' benefits are invested.

## **2 ESG APPROACH**

The Suncorp Lifestage Fund is issued by the Trustee as a default superannuation product under the 'MySuper' regime.

The Suncorp Lifestage Fund does not hold individual securities directly. The Suncorp Lifestage Fund invests via underlying trusts that may either invest indirectly via other trusts, or directly in individual securities, including Exchange Traded Funds (**ETFs**).

The Trustee has engaged Ibbotson Associates Australia Limited (Ibbotson) through investment mandates to provide investment services in relation to the allocation to the underlying trusts that the Suncorp Lifestage Fund invests into. These investments are predominantly applied to passively managed index pools across a broad range of defensive and growth asset sectors.

The Suncorp Lifestage Fund may invest in internal Suncorp Group Trusts issued by Suncorp Funds Pty Ltd (SFPL). SFPL is the trustee of and is responsible for the Suncorp Group Trusts, including the selection and oversight of external investment managers.

SPSL acknowledges ESG issues can affect investment returns to varying degrees across companies, sectors, regions and asset classes over time. However, given the underlying trusts of the Suncorp Lifestage Fund are predominantly managed relative to index benchmarks, it is not expected that ESG matters will feature significantly in any security selection or proxy voting choices undertaken by the investment managers of the underlying trusts.

## **3 WHERE TO GET HELP**

For more information or assistance with this document contact:

- The Office of the Superannuation Trustee

## **4 COMPLIANCE WITH FSC STANDARD 20 – SUPERANNUATION GOVERNANCE**

In accordance with specific disclosure requirements of FSC Standard No.20, in developing and formulating our approach to ESG matters, we respond to the specific requirements of the Standard in the table below.

<b>Question</b>	<b>Our response in formulating and implanting our ESG policy</b>
1. How will the fund incorporate a consideration investment decisions that it makes?	Given the assets of the Suncorp Lifestage Fund are predominantly invested according to index benchmarks it is unlikely ESG considerations will be applied in security selection.
2. How will the fund monitor the ESG exposure across its portfolio of investments?	The Trustee does not explicitly monitor the ESG exposures across the Suncorp Lifestage Fund within which a MySuper member's monies are invested.
3. How will the fund act on ESG risks?	The Trustee does not directly act on ESG risks within the Suncorp Lifestage Fund that a MySuper member's monies are invested in.
4. How will the fund report to its members on the actions it has taken in relation to an ESG issue?	The Trustee does not plan to report ESG actions to MySuper members in light of the fact that Suncorp Lifestage Fund investments are invested in index pools that are predominantly managed relative to index benchmarks.

## 5 Policy Review and Document History

SPSL will review this ESG Policy on an annual basis and any changes will be provided to the Investment Committee for approval.

<b>Date</b>	<b>Comment</b>	<b>Version</b>	<b>Approval</b>
17/8/2015	Creation of document.	V1	Board