# 2024 Annual Members' Meeting questions & answers

The following document reflects the questions we received before and during our Annual Members' Meeting in 2024. Some questions were answered during the broadcast and are included in the meeting minutes.

A recording of the event and the meeting minutes are also available on our website **aware.com.au/amm**

**Meeting date**: 18 December 2024
**Published date**: 17 January 2025

If you have any further questions, please feel welcome to contact us:
Aware Super: enquiries@aware.com.au
General Enquiries: **1300 650 873**

## 1. Does Aware follow up on members' accounts, especially in regards to retirement income strategy?

We do endeavour to engage as much as possible, which is why we have a keen focus on providing help, guidance and advice to our members into and in retirement. We do our best to proactively provide help, guidance and advice with reminders in our communications like statements and newsletters.

In 2025 we're continuing to build out the retirement journey to provide even more tailored help, guidance and advice, especially to those transitioning to and in retirement.

## 2. The amount spent on "promotion, marketing or sponsorship expenditure" is excessive – why is it so high? Is there a duplication of spend between this category and related party payments?

The promotion, marketing or sponsorship expenditure represents the cost of advertising, sponsorships, partnerships and memberships to industry advocacy bodies. Brand awareness generated through these channels drives the scale and reach needed to deliver market-leading super and advice, diversified investment opportunities, as well as lower fees and operating costs so our members can achieve their best retirement.

Promotional, marketing and sponsorship expenditure includes $962,492 paid to related parties of Aware Super that is therefore also reported in the related parties' payments amount. The amount is reported under both categories as required by the regulation, so the duplication is intentional and not an error.

## 3. I have a retirement income stream with monthly payments. Why does my monthly payment take three days to reach my account and not on the same day?

This is something we have extensively heard from our members and as such have worked hard to streamline for a better member experience. Until November this year, payments have been a manual process which is why it took longer for the transaction to move from one account to another. As with many of our manual processes, this is one we have now automated, so you should now be seeing a decrease in the time it takes to land in your account. In 2025, we're intending to introduce OSKO payments, so we're hoping you'll see an even faster change in processing times. OSKO is a service offered by the payments platform BPAY and is designed to facilitate the real-time transferring of funds.

## 4. Why does it take three days to process my pension payment? When I was with Vic Super it was two days. Is Aware Super using my funds to invest on overnight short term money markets? I asked this question last year and had no response.

This is something we have extensively heard from our members and as such have worked hard to streamline for a better member experience. We don't re-invest your money once it's been allocated for distribution. However, until November this year, payments have been a manual process which is why it took longer for the transaction to move from one account to another. As with many of our manual processes, this is one we have now automated, so you should now be seeing a decrease in the time it takes to land in your account. In 2025, we're intending to introduce OSKO payments so we're hoping you'll see an even faster change in processing times. OSKO is a service offered by the payments platform BPAY and is designed to facilitate the real-time transferring of funds.

## 5. What are you doing about speeding up payments, given that same day transfer is now normal in banking?

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## 6. In these times of instant banking, why does my monthly payment leave my account on the 13th of the month and arrive in my personal account on the 16th? Over 12 months there are 36 days that my account is not working at its optimum with my full entitled balance. Please explain.

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### 7. How do I track my tax liability and tax payments against the balance above the ATO $3 million ceiling?

You can track your tax liability and tax payments through your super statement, with your account or check in with the fund by speaking with a super expert who can ensure you stay within the limits of your contributions.

The proposed tax on earnings from superannuation balances in excess of $3 million, referred to as Division 296 tax is still a proposal and not yet law. The calculation of this tax is complex and will be completed by the Australian Taxation Office. The amount of tax is determined through a series of calculations based on the individual's Total Super Balance at the end of each financial year. These calculations consider the individual's superannuation growth and any contributions or withdrawals made during the year.

### 8. My monthly pension is taken from my account on the 13th of each month, but it doesn't appear in the nominated account until the 16th of the month. Why?

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### 9. If I start a retirement income stream, can I then still add money to my accumulation account – which I have to keep open – each fortnight or month or whenever I have some extra money?

Yes, you can still contribute to your accumulation account if you open a retirement income stream.

Please consider your eligibility to contribute and the relevant contribution caps. Should you need assistance, check in with the fund by speaking with a super expert who can ensure you stay within the limits of your contributions.

### 10. Why can't I log into my super account when I am overseas? With my bank account there is no issue in providing access to my accounts and super.

Ensuring the safety of our members' money is a top priority for the fund. As part of this commitment, we regularly review regions identified as posing a higher risk.

Because these reviews and restrictions are updated regularly, we recommend contacting the fund before travelling overseas to ensure you can access the services you need while abroad. Thank you for your understanding and cooperation in helping us maintain the safety and integrity of our members' accounts.

### 11. I was a member of VicSuper and became a member of Aware due to the merger. For many years I was able to have a face-to-face consultation with VicSuper staff either in Geelong or in Melbourne. Since the merger, this is not available even though you have offices in Geelong and Melbourne. For name's sake you have these offices and my experience with them was poor or practically none. I don't visit these offices anymore. Question is when will you plan to provide e face-to-face Aware Super consultations?

Providing the right help, guidance and advice is really important to us.

We have a range of services available to support members at no additional cost. This includes digital advice tools, webinars and on demand videos all available through our website and the app. We also offer no additional cost virtual advice for members to ensure they are maximising their superannuation and to support them at key moments like transitioning into retirement.

We also provide face-to-face (fee for service) comprehensive advice at over 20 locations across Australia with five of these locations offering walk in services to support members.

Face-to-face advice remains available for members in both Melbourne and Geelong. This advice is fee for service. For advice related to your existing holdings with Aware Super, we offer no additional cost virtual/phone advice through our guidance team.

### 12. The NSW public service is the biggest public sector employer in Australia with 453,210 employees as at December 2023. The Victorian public service is second with 367,945 as of 2023 figures. All the other states and territories are much smaller. Yet since the merger which created Aware Super, the members in NSW have suffered a substantial loss of service and the complete loss of processing facilities in Sydney. In the past 12 months I have experienced substantial delays in processing transactions, twice, because the paperwork was lost between the Parramatta and the Melbourne offices. What are you prepared to do to reinstate processing services in a Sydney location so the state with the largest number of members get the same services we used to enjoy before the merger?

Since we've moved our members to a single platform to shift our focus to digital, 98% of transactions can now be done online. This has meant that it's easier for most of our members to engage with us, leading to more meaningful conversations about retirement.

If you are based in Sydney, you can walk into the Aware Super George Street office and the Parramatta office, as well as Melbourne. This may help alleviate any postal issues.

We would also encourage you to get in touch with one of our superannuation experts to help guide you through any processes you may be having trouble with.

### 13. Will Aware Super employ AI for its administration, reducing admin costs? If so, what are the risk to your members?

In 2023, we undertook one of the most ambitious digital transformations in the Australian superannuation industry, establishing ourselves as a 'digital first' superannuation fund of significant scale.

With this foundation in place, we have begun to explore how we can leverage the capabilities of AI to enhance member experiences, drive operational efficiency and deliver innovative solutions tailored to the evolving needs of our members.

We began by embedding a responsible AI risk framework to ensure we were using this new technology ethically and safely. We then assessed the feasibility of deriving value from AI across a diverse range of use cases and have trialled several proof-of-concept initiatives. This upfront investment enabled us to build confidence and establish robust guardrails for using this emerging technology responsibly.

### 14. How do you assess the risk of theft or ransom?

Aware Super takes the safety of our members' funds and the protection of their personal information extremely seriously. We take all appropriate security measures to keep your superannuation safe. We have protections in place for when you call or transact with us, and we actively monitor the external environment to safeguard your superannuation and information. We continuously update our protections to respond to new and evolving risks.

When you access your Aware Super account, your information is protected by the latest industry encryption technology, which safeguards any sensitive data being sent between your computer and our systems.

At Aware Super we actively promote a culture of cybersecurity awareness among our employees as they are our first line of defence against threats like phishing and social engineering.

Members can visit **aware.com.au/security** for up-to-date information on how we protect your super and your personal information.

### 15. What steps are taken to protect personal funds from scammers?

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### 16. How are members' data and information kept confidential, private and secured, including when Aware Super employees are working from home and on the road?

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### 17. Do you use two-factor authentication for logging in to member online? What security measures are you using to protect members' accounts and privacy?

We use two-factor authentication and identity verification for high-risk tasks that members complete online. This extra layer of security is to minimise the risk associated with financial crime and identity theft.

Aware Super is committed to protecting our members' retirement savings and personal information from cyber, fraud and financial crime, and we're continually strengthening our security controls in an increasingly complex financial landscape. To safeguard our members, we deploy a multilayered approach that encompasses dynamic security technologies, proactive fraud monitoring methods and a market-leading internal control environment with strong detective and preventative measures. We actively monitor the external environment to safeguard your superannuation and information, and to update that protection to respond to any new and evolving risks.

Members can visit **aware.com.au/security** for up-to-date information on how we protect your super and your personal information.

### 18. When a customer requests an appointment with an advisor, what is the current waiting period?

We have several options for our members to access financial advice. Our My Retirement Planner™ digital advice tool is always available to members to explore how confident they can be in achieving the retirement income they aspire for. We complement this with a Super Helpful Check-in with one of our advisers over the phone or via video. This is very popular and the check-in can generally be accessed within a week or so of requesting one. If you would like to speak to an adviser about your interests in the Aware funds, the wait times are similar. If you seek broader financial advice, we offer video advice or face-to-face meetings. There is a much shorter wait time for video advice other than agreeing to a suitable time and ensuring you have gathered relevant information.

If you would like to see an adviser in person, many regions have same week availability, it really depends on where you are located. Our goal is that members can access the help needed within four weeks.

### 19. Why are your fees and charges too high? Also, why does my statement not show taxable and non-taxable balances?

As a profit for member fund, we try to keep our fees down and our costs as low as possible. Our fees are set only to cover the costs of running the fund and investing on our members' behalf, not to make a profit for shareholders or pay commissions to advisers.

We regularly compare our fees to competitors and have access to quarterly fee surveys produced by a highly regarded research and data provider. Based on our analysis we are confident that our fees and costs are competitive and offer value for money for our members.

Below are the fees and rankings of the three investment options that make up our MySuper Lifecycle approach for a member with a $50,000 account balance, for reference.

| | High growth | Balanced | Conservative balanced |
|---|---|---|---|
| **Aware Super fee** | 0.91% ($455) | 0.84% ($420) | 0.79% ($395) |
| **Overall average fee** | 1.12% ($625) | 1.11% ($615) | 1.04% ($590) |
| **Aware Super ranking** | 15/62 (Lowest quartile) | 11/68 (Lowest quartile) | 9/57 (Lowest quartile) |

**Source**: Chant West Super Fund Fee Survey, September 2024. Fees are the total estimated annual fee (inclusive of investment fees and costs, transaction costs and administration fees) for a member with a $50,000 balance. Fees and costs can vary from year to year. Past fees and costs are not a reliable indicator of future fees and costs. Fees and comparisons may differ for other investment options and account balances.

Relating to the second part of your question, while we no longer include taxable and non-taxable balances on statements, our members can visit Member Online via our website to access the tax component of their balance.

### 20. There have been a lot of ads about Aware Super across all media platforms. How is this being paid for? Also, can I do a retirement income stream while I'm still working? I'm still working and doing a transition to retirement is not a benefit to me now as I don't really need to top up my wages. I salary sacrifice the maximum I can with employer contributions to build my super but don't want to pay the contributions tax of 15% anymore. Is it possible to go straight into a retirement income stream? I'm 60 years old.

Advertising forms part of an integrated range of marketing activities with the aim of increasing Aware Super's brand awareness and consideration with target audiences. Building a strong brand is in members' best financial interests, as the Aware Super brand is what differentiates us in a highly competitive marketplace and contributes significantly to both member and funds under management growth. This growth drives economies of scale which reduces operating costs, helps lower fees and deliver better services and outcomes to you, our members. It's also important to note that Aware Super analyses all marketing initiatives rigorously to ensure they are in our members' best financial interests.

In relation to your question about transitioning to retirement, it would be a good idea to book in a **Retire Ready Check-in**, which will help you set up for your retirement, while you're transitioning. This is a video appointment with one of our superannuation experts which comes at no extra cost.

### 21. Can you explain why Aware Super has so much advertising? I think it is far too excessive and some of the money saved from less advertising could go towards reducing some of the costs on members

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### 22. Why is it necessary to spend on advertising? I know other super funds do, however it must be expensive, then why is it justified?

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### 23. There have been media reports that ASIC, APRA and the ACCC are very concerned with the excessive marketing and advertising spend of super funds and excessive CEO and CIO salaries being against the interests of super fund members. Can the trustees explain?

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Aware Super's remuneration policy aims to pay our executives at the median level for comparable roles in the financial services industry.

We use independent consultants who regularly benchmark our remuneration levels against our peers to help determine what is appropriate.

Our remuneration must be sufficiently competitive to attract and retain the right people but it must also align to our values and purpose. As a profit for member fund, everything we do is in the service of our members and their retirement outcomes and our approach to remunerating our executives seeks to strike the right balance.

### 24. What is the impact on members' financial returns of Aware's recent marketing campaign?

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### 25. What is our marketing expenditure compared to other funds?

Because all funds are required to publish this information, we know that our investment in marketing relative to our size, is less than our competitors. Building a strong brand is in members' best financial interests, as the Aware Super brand is what differentiates us in a highly competitive marketplace and contributes significantly to both member and funds under management growth. This growth drives economies of scale which reduces operating costs, helps lower fees and deliver better services and outcomes to you, our members. It's also important to note that Aware Super analyses all marketing initiatives rigorously to ensure they are in our members' best financial interests.

### 26. When you receive an Aware Super pension in pension phase, do you have to declare it as income for personal tax purposes?

When you convert your super into an income stream after age 60, it becomes non-assessable income, meaning it attracts 0% income tax and does not need to be declared as income for tax purposes.

If you're under the age of 60 and have access to a superannuation pension, you will likely need to declare your superannuation pension income, and it's a good idea to check in with the fund or your tax adviser to make sure you're doing what's right for your circumstances.

### 27. My wife and children are residents in Russia. I work out of Kazakhstan. If I died from natural causes, will my attorney in Sydney be permitted to transfer any benefit from NGS to an account in her name in Saint Petersburg in Russia or failing that, to an account in her name in Kazakhstan?

Thank you for your question and this is a good reminder for all our members to make sure you've nominated a beneficiary. We have automated this process so you can now nominate a non-lapsing binding beneficiary on the website in less than five minutes, making sure your hard-earned retirement savings go to your loved ones. For your instance, we'd encourage you to seek advice through NGS or otherwise perhaps seek some legal advice.

### 28. What are the options available once retired if I still want to keep the money with the fund, with a monthly drawing for expenses?

Being experts in retirement makes us a good fund to retire with. You can have an account with Aware Super for the duration of your life – from your working life in accumulation right throughout retirement.

We have some great options for retirees, like a retirement income account that will attract zero tax and become your income stream.

### 29. How can Aware Super members minimise tax on their accounts following recent Commonwealth changes to rules on superannuation taxation?

There are many tax benefits in the world of super and with the government changes now allowing super contributions up to the age of 75, turning your super into an income stream means you can enjoy more great returns and keep earning tax free for longer.

Get in touch with one a super experts to offer some advice at no extra cost or help guide you to get the most benefit.

### 30. How can I best use my super before retirement? For example, getting early access to my super to fund children's tertiary education and paying off my mortgage, given the situation of the Australian economy with high interest rates and inflation.

We understand that cost of living pressures are putting a strain on many of our members.

As super is there to fund your retirement, you can generally only withdraw your super when you reach a certain age.

In Australia, you can start accessing your super when:

- You meet preservation age **(60)** and retire
- You meet preservation age **(60)** and begin a transition to retirement income steam
- You turn **65** (even if you haven't retired)

While there are some situations where you may be able to withdraw your super early, it is important to seek advice that is tailored specifically to you and your individual circumstance.

You can visit our website **aware.com.au/member/retirement/plan-your-retirement** to find out when you can withdraw your super early.

We also offer a range of advice options at no extra cost such as the Super Helpful Check-In or Retire Ready Check-In, allowing you to chat to our super and retirement experts.

For more complex needs, we can arrange a comprehensive financial advice appointment that does come at a cost, but looks at all elements of your financial situation, rather than just your super.

To book an advice appointment you can visit **aware.com.au** OR call us on **1300 650 873**.

### 31. I am retiring at the end of the year and need guidance.

Retirement is incredibly personal so it's important to give some thought to what you'll do with your time, so we can help navigate how you'll fund it, now and for the decades to come in retirement.

We have some great starting points to guide you into and in retirement. A Retire Ready Check-in connects you with one of our superannuation experts, who can help you get started on the process really easily – and there's no extra charge for this service, it's part of what you get as a member.

### 32. Which is the best way to invest one's money with Aware Super? How many times a year is recommended?

Retirement is personal and different for everyone.

As you may know, around 50% of your super balance at the time of retirement is made up from investment returns, so being in the right investment from accumulation, into retirement and in retirement is really important.

If you are thinking about your super and you'd like to work out what is best for you, it might be good to consider one of our Super Helpful check-ins where our superannuation advisers can talk you through the options that might be best for you.

It only takes 45 minutes via a video call, and because it's your super we're talking about, you don't need to prepare anything, the adviser will be able to see your account information directly.

### 33. Why is so much money being spent in advertising - full page newspaper ads and constant television ads? And how much of members' funds are being paid to unions?

All Aware Super's expenditure is done on the basis that it is in the best financial interests of our members.

Our expenditure relative to the size of our fund is broadly in-line or lower than other major funds. Advertising (including sponsorships) plays an important role in raising awareness of who we are and why it's a good idea to choose Aware Super. As our membership grows and we achieve greater scale, we're able to realise operating efficiencies – ultimately lowering fees for existing members.

Furthermore, with more funds under management, we unlock new investment opportunities for the benefit of our members, particularly in sectors where we seek to invest directly, such as in property and infrastructure.

### 34. Are your employer representative board members paid directly or do fees go to unions?

The majority of our director fees are paid to the directors themselves.

Three of our directors have directed us to pay their director fees to their appointing entity, who is also their employer. Our directors are aware of their duties and obligations as board members.

### 35. Why should a young member stay at the fund? I feel like we are deprioritised because of our lower balances and the help offers are not useful.

We pride ourselves on being member first - it is our core value at Aware – whether you are in the accumulation phase, transitioning into retirement or at retirement.

We're committed to being the easiest super fund to deal with, so that you know you can retire confidently and securely with us.

There are many reasons to stay with Aware Super during your accumulation phase.

Our members enjoy some of the strongest returns in the market, delivered via our commitment to investing responsibly for your future.

For example, our MySuper Lifecycle investment approach uses an innovative lifecycle design, which maximises earnings for our younger members to help you save for retirement during your working years and retire with more.

We also recognise the super system can be difficult to navigate, especially for people new to the workforce, so we offer our members a range of advice tools and services at no extra cost, that you can take advantage of at any age.

Our Super Helpful Check-In, which is offered at no additional cost, is a great place to start if you're looking to speak to one of our super and retirement experts about your personal situation. They can help you with tips to fast track your super savings while you have the advantage of time and work out how much you may need for retirement.

Our My Retirement Planner is another great tool available to you, providing a personalised step-by-step plan for how to achieve the retirement you want.

### 36. What will Aware Super do to end exposure to climate wrecking companies and companies fuelling genocide/war around the world?

At Aware Super, Responsible Ownership forms part of our investment approach. Responsible Ownership means that we integrate environmental, social and governance (ESG) considerations into our investment processes – both during initial diligence prior to an investment and during our ownership as appropriate. We do this because we believe it helps us better manage risk and take advantage of opportunities, to help generate strong long-term returns for our members.

Our preference is to use engagement and proxy voting to positively influence the behaviour and ESG practices of the companies we invest in rather than divest. However, in some circumstances, it may be appropriate to exclude or restrict a particular sector or company from our investment portfolios. We do this through the application of investment restrictions or exclusions. For example, we have a fund-wide exclusion on direct investments in companies that generate 10% or more of their revenues directly from mining thermal or energy coal.

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 to address the associated social, environmental and economic risks. Our **Climate Transition Plan 2023** articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars.

You can read about our Responsible Ownership approach and fund-wide exclusions in the 'Responsible Ownership' section of our **Investment and Fees Handbook**.

### 37. Are you doing all you can to invest our funds ethically, especially for environmental protection and climate action

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We also offer members a range of Socially Conscious investment options which apply additional and stricter screening investment criteria, over and above our fund-wide exclusions. This includes stricter climate change screens.

You can read about our **Responsible Ownership** approach on our **website**, including the factors we consider. Please see our **Responsible Investment Report, 2024**. And for more information about our Socially Conscious options please see our **Investment and Fees Handbook** starting on page 20.

### 38. Please could you describe how you are actively developing investment policy to improve climate action? Which companies are off limits due to environmental performance and contributing to harm in Australia or other countries? e.g. BHP with the Brazilian Mariana Dam disaster

Since 2015, we have been actively considering climate change – most recently as outlined in our **Climate Transition Plan 2023**. The Climate Transition Plan articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars.

Aware Super's overarching commitment is to support an orderly and equitable transition to net zero greenhouse gas (GHG) emissions through our investment activities, stewardship and advocacy. Our underlying targets to support this commitment are to:

- strive to achieve net zero GHG emissions in our portfolio by 2050;
- support an economy wide reduction in GHG emissions of 45% by 2030; and
- strive to achieve a 45% reduction in scope 1 and 2 emission intensity of our investment portfolio by 2030[1]

As part of our **Responsible Ownership** approach we have implemented fund-wide investment restrictions and exclusions.

We have a fund-wide exclusion on direct investments in companies that generate 10% or more of their revenues directly from mining thermal coal. You can find more information on our fund-wide exclusions in the Responsible Ownership section of our **Investment and Fees Handbook**.

We also offer Socially Conscious investment options for members who prefer to limit investments in particular companies and industries. The investments for these options are selected and managed according to additional and more specific screens, including stricter climate change screens. BHP is currently not held in our Socially Conscious options.

You can find more information on these screens including a description and relevant thresholds in the 'Socially Conscious diversified investment options' section of our **Investment and Fees Handbook**.

For a full list of all companies and investments held in our different investment options, you can refer to our **Portfolio Holding Disclosure** on our website.

### 39. What percentage of your investments are ethically robust and what percentage of investments are committed to mitigating climate change?

At Aware Super, Responsible Ownership forms part of our investment approach. Responsible Ownership means that we integrate environmental, social and governance (ESG) considerations into our investment processes – both during initial diligence prior to an investment and during our ownership as appropriate. We do this because we believe it helps us better manage risk and take advantage of opportunities, to help generate strong long-term returns for our members.

We also offer Socially Conscious investment options for members who want to limit or restrict investments in particular industries and companies considered to have a highly adverse environmental impact. Investments for these options are selected and managed according to additional and more specific screens, including ethical screens.

Screens fall into three categories:

- Climate change screens
- Ethical screens; and
- Conventions and controversies-based screens

We have approximately 2.6% of our overall funds under management invested in our Socially Conscious options.

Read more about our options on our **website** and in our **Investment and Fees Handbook**.

Since 2015, we have been actively considering climate change – most recently as outlined in our **Climate Transition Plan 2023**. The Climate Transition Plan articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars.

Currently we have over $3 billion invested in the energy transition including renewables. You can read about our **Responsible Ownership** approach on our website and in more detail in our **2024 Responsible Investment Report**, including our action on climate change.

### 40. Given how seriously climate change can affect our retirement savings and how little progress has been made from big emitters, shouldn't our fund be bolder and more transparent with members about how it will use its considerable influence to tackle the climate crisis? Would AWARE consider any investment screens or exclusion criteria specifically related to high methane emissions? If not, why not?

Since 2015, we have been actively considering climate change – most recently as outlined in our **Climate Transition Plan 2023**. The Climate Transition Plan articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars.

As outlined in our **Climate Transition Plan**, we believe engagement is crucial in any response to climate change. There are times when we use our ownership rights to engage with companies to encourage them to improve their ESG policies and practices, with

1 Please note that the reduction will be measured against a 2020 baseline, where possible. Reductions for investment sectors where a later baseline has been completed may be pro-rated accordingly. It is noted that not all asset classes have a financed emissions calculation methodology, and it is likely these will continue to be excluded from this calculation and target until a suitable methodology has been determined. A guiding range of 40-50% has been acknowledged by the Board, in the event that a fund or investment activity may change the portfolio significantly, such as a merger or large acquisition.

the aim of protecting or increasing their economic value. Engagement may be undertaken directly by Aware Super, via our investment managers, through service providers or through collaborative initiatives. The materiality of Aware Super's holding of a particular company within the investment portfolio is taken into account when prioritising companies for engagement.

You can see examples of how we have engaged with Australian listed companies in our **Responsible Investment Report**.

You can also read more about how we are **Managing Climate Risk** on our website.

As part of our annual reporting suite, we have been completing voluntary Task Force on Climate-Related Financial Disclosures (TCFD) aligned reporting for our investment activities since 2021, in our Destination Net Zero report, then Responsible Investment Reports in 2022 and 2023. These are available on our website **here**.

You also ask about whether we would consider investment screens or exclusion criteria for high methane emitters.

We do not currently have an exclusion specifically for methane emitters, however we are engaging on this issue with companies.

We do have a fund-wide exclusion on direct investments in companies that generate 10% or more of their revenues directly from mining thermal or energy coal. You can read about our fund-wide exclusions in the Responsible Ownership section of our **Investment and Fees Handbook**.

In addition, we offer **Socially Conscious investment options** designed for members who want to exclude or limit exposure to particular industries and companies. Investments for these options are selected and managed according to additional and more specific screens, over and above our fund-wide screens. These screens include climate change screens. To find out more about how these screens are applied, including a description of the screens and any relevant thresholds, please see the Socially Conscious diversified investment options' section of our **Investment and Fees Handbook**.

### 41. We are in a climate crisis – why isn't Aware Super doing more in regards to climate change? I work in disaster recovery in communities heavily flood impacted.

Since 2015, we have been actively considering climate change – most recently as outlined in our **Climate Transition Plan 2023**. The Climate Transition Plan articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars.

For an update on how we are progressing, including how we're managing climate risks and opportunities and how we measure our impact, please review our **Responsible Investment Report**.

### 42. Describe the process of divestment from fossil fuel exploration, extraction, use and export and on a scale of 1 to 10 where would you place aware on this journey?

Our preference is to use engagement and proxy voting to positively influence the behaviour and ESG practices of the companies we invest in rather than divest.

However, in some circumstances, it may be appropriate to exclude or restrict a particular sector or company from our investment portfolios. We do this through the application of investment screens.

We have a fund-wide exclusion on direct investments in companies that generate 10% or more of their revenues directly from mining thermal or energy coal. You can read about our fund-wide exclusions in the Responsible Ownership section of our **Investment and Fees Handbook**.

In addition, we offer **Socially Conscious investment options** designed for members who want to exclude or limit exposure to particular industries and companies. Investments for these options are selected and managed according to additional and more specific screens. These screens include climate change screens. To find out more about how these screens are applied, including a description of the screens and any relevant thresholds please see our **Investment and Fees Handbook**.

#### Action on climate change

Since 2015, we have been actively considering climate change – most recently as outlined in our **Climate Transition Plan 2023**. The Climate Transition Plan articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars.

Our journey to date and updated reporting, including how we're managing climate risks and opportunities and how we measure our impact, is available on our **website** and in our **Responsible Investment Report**.

### 43. Is Aware Super continuing to invest in methane polluting companies? What guarantees can you provide that you will cease investing in companies that contribute to greenhouse gas emissions?

Since 2015, we have been actively considering climate change – most recently as outlined in our **Climate Transition Plan 2023**. The Climate Transition Plan articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars.

Our preference is to use engagement and proxy voting to positively influence the behaviour and ESG practices of the companies we invest in rather than divest.

We have a fund-wide exclusion on direct investments in companies that generate 10% or more of their revenues directly from mining thermal or energy coal. You can read about our fund-wide exclusions in the Responsible Ownership section of our **Investment and Fees Handbook**.

We do not currently have an exclusion specifically for methane emitters, however we are engaging on this issue with companies.

We encourage companies to become signatories of the Oil & Gas Methane Partnership – which means they commit to methane reduction targets, implementation plans and annual reporting.

In addition we are exploring a system-level engagement approach in addition to individual company engagement to create broader, system-wide change.

You can read more about how we are **Managing Climate Risk** on our website, and in our **Responsible Investment Report**.

In addition we offer **Socially Conscious investment options** designed for members who want to exclude or limit exposure to particular industries and companies.

Investments for these options are selected and managed according to additional and more specific screens, including climate change screens, over and above our fund-wide screens. You can read about the screens in detail, including descriptions and relevant thresholds in our **Investment and Fees Handbook**.

### 44. Would Aware Super set specific targets for reducing methane emissions to encourage fossil fuel companies in its portfolio to commit to methane mitigation?

We do not currently have an exclusion specifically for methane emitters, however we are engaging on this issue with companies.

We encourage companies to become signatories of the Oil & Gas Methane Partnership – which means they commit to methane reduction targets, implementation plans and annual reporting.

In addition we are exploring a system-level engagement approach in addition to individual company engagement to create broader, system-wide change.

In addition, Since 2015, since 2015, we have been actively considering climate change – most recently as outlined in our **Climate Transition Plan 2023**. The Climate Transition Plan articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars.

You can read more about how we are **Managing Climate Risk** on our website, and in our **Responsible Investment Report**.

### Exclusions and restrictions

We have a fund-wide exclusion on direct investments in companies that generate 10% or more of their revenues directly from mining thermal or energy coal. You can read about our fund-wide exclusions in the Responsible Ownership section of our **Investment and Fees Handbook**.

We also offer **Socially Conscious investment options** designed for members who want to exclude or limit exposure to particular industries and companies. Investments for these options are selected and managed according to additional and more specific screens, including climate change screens, over and above our fund-wide screens.

You can read about the screens in detail, including descriptions and relevant thresholds in the Socially Conscious diversified investment options section of our **Investment and Fees Handbook**.

### 45. Would Aware Super consider setting specific targets for reducing portfolio methane emissions to encourage the fossil fuel companies in its portfolio to commit to better methane mitigation practices?

We do not currently have an exclusion specifically for methane emitters, however we are engaging on this issue with companies.

We encourage companies to become signatories of the Oil & Gas Methane Partnership – which means they commit to methane reduction targets, implementation plans and annual reporting.

In addition we are exploring a system-level engagement approach in addition to individual company engagement to create broader, system-wide change.

In addition, since 2015, we have been actively considering climate change – most recently as outlined in our **Climate Transition Plan 2023**. The Climate Transition Plan articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars.

You can read more about how we are **Managing Climate Risk** on our website, and in our **Responsible Investment Report**.

### Exclusions and restrictions

We have a fund-wide exclusion on direct investments in companies that generate 10% or more of their revenues directly from mining thermal or energy coal. You can read about our fund-wide exclusions in the Responsible Ownership section of our **Investment and Fees Handbook**.

We also offer **Socially Conscious** options designed for members who want to exclude or limit exposure to particular industries and companies. Investments for these options are selected and managed according to additional and more specific screens, including climate change screens, over and above our fund-wide screens.

You can read about the screens in detail, including descriptions and relevant thresholds in the Socially Conscious diversified investment options section of our **Investment and Fees Handbook**.

### 46. Has Aware considered the opportunity that methane abatement technologies offer in helping to keep 1.5 degrees within reach, which is essential to protecting the financial and material security of the investments of Aware?

Since 2015, we have been actively considering climate change – most recently as outlined in our **Climate Transition Plan 2023**. The Climate Transition Plan articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars.

One pillar specifically relates to investing in the solutions and you will find an example of a methane reduction investment we have made on page 7 of our **Responsible Investment Report**.

We will continue to look for opportunities that support the pillar of investing in climate solutions that support a low-carbon economy.

Please see our website for more information about how we are **Managing Climate Risk**.

### 47. What percentage of Aware's funds are invested in fossil fuels and land clearing businesses? When will the percentage be zero?

Since 2015 we have been actively considering climate change – most recently as outlined in our **Climate Transition Plan 2023**. The Climate Transition Plan articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars.

Our preference is to use engagement and proxy voting to positively influence the behaviour and ESG practices of the companies we invest in rather than divest.

We have a small percentage of the fund invested in listed companies that generate revenue related to fossil fuels. As an example, in our balanced option the exposure is around 5% at the time these responses were published

We don't have a specific screen for land clearing, so as a proxy we have used the United Nations Sustainable Development Goals (SDG) assessment which identifies companies involved in the destruction of life above land (percentages are calculated using the ISS SDG impact rating score of greater than -9). We have a very small exposure in listed companies involved in this activity. As an example, in our Balanced Option the exposure is approximately 0.4% at the time these responses were published.

As Aware Super continues to build out our understanding of our investment portfolio's impact on and exposure to biodiversity loss, the fund will engage with investee companies, assets and managers on their approach to measuring, monitoring and managing biodiversity.

You can read more about how we are **Managing Climate Risk** on our website and in our **Responsible Investment Report.**

### 48. Having a net zero by 2050 target means that Aware Super will at some point need to phase out exposure to all companies building new oil and gas projects. Does the fund have a timeline for doing this?

Since 2015, we have been actively considering climate change – most recently as outlined in our **Climate Transition Plan 2023**. The Climate Transition Plan articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars.

We are transparent about our progress against our goals and targets, and report annually on our progress and measure our impact. You can find detailed reporting, including how we're managing climate risks and opportunities and how we measure our impact in our **Responsible Investment Report**.

### 49. I would like to know your plans to end investments in climate wrecking companies, including a concrete timeline.

Since 2015, we have been actively considering climate change – most recently as outlined in our **Climate Transition Plan 2023**. The Climate Transition Plan articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars.

We are transparent about our progress against our goals and targets, and report annually on our progress and measure our impact. You can find detailed reporting, including how we're managing climate risks and opportunities and how we measure our impact in our **Responsible Investment Report**.

### 50. Over what time frame is Aware Super planning to divest from fossil fuels?

Our preference is to use engagement and proxy voting to positively influence the behaviour and ESG practices of the companies we invest in rather than divest.

You can find out more about our approach to climate change on our website at: **Managing climate risk**.

In some circumstances, it may be appropriate to exclude or restrict a particular sector or company from our investment portfolios. We do this through the application of investment screens.

We have a fund-wide exclusion on direct investments in companies that generate 10% or more of their revenues directly from mining thermal or energy coal. You can read about our fund-wide exclusions in the Responsible Ownership section of our **Investment and Fees Handbook**.

In addition, we offer **Socially Conscious investment options** designed for members who want to exclude or limit exposure to particular industries and companies. Investments for these options are selected and managed according to additional and more specific screens, over and above our fund-wide screens. These screens include climate change screens. To find out more about how these screens are applied, including a description of the screens and any relevant thresholds please of the 'Socially Conscious diversified investment options' section our **Investment and Fees Handbook**.

### 51. Is Aware Super in effect contributing to climate change by continuing to invest in fossil fuel industries?

Since 2015, we have been actively considering climate change – most recently as outlined in our **Climate Transition Plan 2023**. The Climate Transition Plan articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars.

As a profit-for-member super fund, our priority and obligation is to protect our members' capital. We are also subject to strict rules about how as an Australian superannuation fund, we invest members' money. In making any investment decision we must act in the best financial interest of our members. This means that any divestment decision must be made rigorously, in line with our policies, and with due consideration given to the performance of our fund for all of our members.

Our preference is to use engagement and proxy voting to positively influence the behaviour and ESG practices of the companies we invest in rather than divest.

In some circumstances, it may be appropriate to exclude or restrict a particular sector or company from our investment portfolios. We do this through the application of investment screens.

We have a fund-wide exclusion on direct investments in companies that generate 10% or more of their revenues directly from mining thermal or energy coal. You can read about our fund-wide exclusions in the 'Responsible Ownership' section of our **Investment and Fees Handbook**.

In addition, we offer **Socially Conscious investment options** designed for members who want to exclude or limit exposure to particular industries and companies. Investments for these options are selected and managed according to additional and more specific screens, over and above our fund-wide screens. These screens include climate change screens. To find out more about how these screens are applied, including a description of the screens and any relevant thresholds, please see the 'Socially Conscious diversified investment options' section of our **Investment and Fees Handbook**. You can also find out more information about how we are managing climate risk on our website.

### 52. With climate change extreme events accelerating out of control, why are you still investing in fossil fuels?

Since 2015, we have been actively considering climate change – most recently as outlined in our **Climate Transition Plan 2023**. The Climate Transition Plan articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars.

As a profit-for-member super fund, our priority and obligation is to protect our members' capital. We are also subject to strict rules about how as an

Australian superannuation fund, we invest members' money. In making any investment decision we must act in the best financial interest of our members. This means that any divestment decision must be made rigorously, in line with our policies, and with due consideration given to the performance of our fund for all our members.

Our preference is to use engagement and proxy voting to positively influence the behaviour and ESG practices of the companies we invest in rather than divest.

In some circumstances, it may be appropriate to exclude or restrict a particular sector or company from our investment portfolios. We do this through the application of investment screens.

We have a fund-wide exclusion on direct investments in companies that generate 10% or more of their revenues directly from mining thermal or energy coal. You can read about our fund-wide exclusions in the 'Responsible Ownership' section of our **Investment and Fees Handbook**.

In addition, we offer **Socially Conscious investment options** designed for members who want to exclude or limit exposure to particular industries and companies. Investments for these options are selected and managed according to additional and more specific screens, over and above our fund-wide screens. These screens include climate change screens.

To find out more about how these screens are applied, including a description of the screens and any relevant thresholds, please see the 'Socially Conscious diversified investment options' section of our **Investment and Fees Handbook**. You can also find out more information about how we are managing climate risk on our website.

### 53. If you have a risk profile for each category of investments, or each enterprise, how do you assess the risk profile for each fossil fuel related investment?

At Aware Super, Responsible Ownership forms part of our investment approach. Responsible Ownership means that we integrate environmental, social and governance (ESG) considerations into our investment processes – both during initial diligence prior to an investment and during our ownership as appropriate.

This includes assessing how our external fund managers consider climate risk as part of their process and for our direct investments we undertake physical and transition risk assessment during due diligence.

We do this to better manage risk and take advantage of opportunities to generate strong long-term returns to our members.

You can read about how we're **Managing Climate Change Risk** on our website. For more information about how we integrate ESG factors into our processes, and examples of factors we consider see our **Responsible Investment Report**.

### 54. A common fossil fuel industry response to the scientific consensus that keeping to 1.5 degrees Celsius means no new fossil fuels is to say that 'there are multiple pathways to net zero.' Super funds are increasingly (and concerningly) adopting this deceptive talking point. Does Aware Super accept and acknowledge that net zero and/or the 1.5 degrees Celsius target means no new oil and gas fields can go ahead?

Our **Climate Transition Plan 2023** articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars to help achieve the targets.

In our **2023 Climate Transition Plan** we point to the International Energy Agency (IEA)'s Net Zero by 2050 report which concluded that all unabated coal and oil plants should be retired by 2040 and electricity should be net zero globally by 2040.

We are transparent about our progress against our goals and targets, and report annually on our progress and measure our impact. You can find detailed reporting including case studies and how we're managing climate risk in our **Responsible Investment Report**.

### 55. In a recent survey of major global institutional investors, 4 of 5 respondents agreed that investing in the fossil fuel sector is unattractive beyond the next five years. Thus, there is an increased asset stranding risk. Is Aware Super worried about the portfolio impacts of stranded assets in the oil and gas sector? How do you propose to mitigate this real and substantial risk?

Our **Climate Transition Plan 2023** articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars to help achieve the targets. We consider stranded asset risk as part of the Climate Transition Plan

As part of Pillar 2: Portfolio transition & resilience, one of our strategic initiatives is to establish a leading climate risk analysis roadmap including climate scenario analysis, asset allocation and stranded asset analysis.

We recognise significant stranded asset risk in thermal coal mining and as such, we have implemented a fund-wide exclusion on thermal coal, which means direct investment in companies which generate 10% or more of their revenue from the manufacture and/or production of tobacco products.

You can see additional information about our action on climate change and how we measure our impact in our **2024 Responsible Investment Report**.

### 56. What is Aware Super specifically asking of Woodside and Santos? Has Aware asked them to end their expensive and polluting growth plans?

A focus of our **Responsible Ownership** approach is Stewardship: Engagement and Voting.

We engage with companies, including Woodside and Santos on a range of issues, including climate. We also use our voting rights to support actions we believe will be beneficial.

Currently for Woodside our engagement has focused on their Climate Transition Action Plan and where we would like to see improvements. We continue to be concerned with Woodside's reliance on offsets to meet scope 1 & 2 emissions and a lack of a clear emissions reduction plan beyond 2030, lack of scope 3 emission reduction targets, and the ability of the company to demonstrate that it can 'thrive' in Paris-aligned scenarios.

With Santos our focus is on their climate decarbonisation pathway and in particular their progress of their Carbon Capture and Storage (CCS) projects.

In our **2024 Responsible Investment Report** on page 34 you can read about our activities with respect to climate change, including corporate engagement and voting at Woodside and Santos.

### 57. I would like an assurance that Aware Super no longer invests with fossil fuel companies like Santos.

A focus of our Responsible Ownership approach is Stewardship: Engagement and Voting.

We engage with companies, including Woodside and Santos on a range of issues, including climate. We also use our voting rights to support actions we believe will be beneficial.

In our **2024 Responsible Investment Report** on page 34 you can read about our activities with respect to climate change, including corporate engagement and voting at Woodside and Santos.

Currently for Woodside our engagement has focused on their Climate Transition Action Plan and where we would like to see improvements. We continue to be concerned with Woodside's reliance on offsets to meet scope 1 & 2 emissions and a lack of a clear emissions reduction plan beyond 2030, lack of scope 3 emission reduction targets, and the ability of the company to demonstrate that it can 'thrive' in Paris-aligned scenarios.

With Santos our focus is on their climate decarbonisation pathway and in particular their progress of their Carbon Capture and Storage (CCS) projects.

We have used our voting rights at both Woodside and Santos in the past including voting against directors and their Climate Transition Plans. We will consider our voting actions at their upcoming AGMs in 2025.

We offer **Socially Conscious investment options** designed for members who want to exclude or limit exposure to particular industries and companies.

Investments for these options are selected and managed according to additional and more specific screens, over and above our fund-wide screens.

These screens include climate change screens.

To find out more about how these screens are applied, including a description of the screens and any relevant thresholds, please see page 20 of our **Investment and Fees Handbook**.

### 58. When will Aware Super look after their members and take genuine actions to address climate change?

**This includes:**

- **voting against the entire board of Woodside's and Santos' remuneration packages**
- **taking whatever action is necessary to kill off these two companies' gas expansion plans**
- **working collaboratively with other superannuation and insurance companies to force fossil fuel companies to dump fossil fuels**
- **rewrite all policy to never invest in companies that damage the climate and environment, and**
- **prioritise companies that make renewable energy, social and community housing, public transport, nature rehabilitation etc.**

A focus of our Responsible Ownership approach is Stewardship: Engagement and Voting.

We engage with companies, including Woodside and Santos on a range of issues, including climate.

We also use our voting rights to support actions we believe will be beneficial.

In our **2024 Responsible Investment Report** on page 34 you can read about our activities with respect to climate change, including corporate engagement and voting at Woodside and Santos.

Currently for Woodside our engagement has focused on their Climate Transition Action Plan and where we would like to see improvements. We continue to be concerned with Woodside's reliance on offsets to meet scope 1 & 2 emissions and a lack of a clear emissions reduction plan beyond 2030, lack of scope 3 emission reduction targets, and the ability of the company to demonstrate that it can 'thrive' in Paris-aligned scenarios.

With Santos our focus is on their climate decarbonisation pathway and in particular their progress of their Carbon Capture and Storage (CCS) projects.

We have used our voting rights at both Woodside and Santos in the past including voting against directors and their Climate Transition Plans. We will consider our voting actions at their upcoming AGMs in 2025.

We offer **Socially Conscious investment options** designed for members who want to exclude or limit exposure to particular industries and companies.

Investments for these options are selected and managed according to additional and more specific screens, over and above our fund-wide screens. These screens include climate change screens. To find out more about how these screens are applied, including a description of the screens and any relevant thresholds, please see page 20 of our **Investment and Fees Handbook**.

**59. Santos plans to destroy over 250 known culturally significant indigenous sites in the Pilliga Forest of NSW with 800 CSG wells in a planned expansion for the Narrabri Gas project. Investing in Santos without using your votes to incite change within the company goes against Aware Super's statements on climate change and First Nations steps towards reconciliation and enacting First Nations rights to self determination and connection to land and culture. How is Aware Super planning to move ahead with Santos over the next financial year? I do not want my retirement fund invested in companies like Santos.**

Over the past 9 years we have been actively considering climate change – starting with our 2015 Climate Change Adaptation Plan and most recently as outlined in our **Climate Transition Plan 2023**.

You can also find information on how we're **Managing Climate Change risk** on our website We have a Responsible Ownership approach to investing, which means we integrate environmental, social and governance (ESG) considerations into our investment processes, both before we invest and during our ownership. One of the key environmental factors we consider is climate change mitigation and adaptation.

In addition to ESG integration, our Responsible Ownership approach has an additional four focus areas, including advocacy and stewardship.

Stewardship means actively monitoring and engaging with the companies we invest in and the fund managers we partner with to positively influence practices in a range of areas, including climate change, company conduct and culture and cultural heritage management.

You can read about our advocacy and stewardship: engagement and voting activities on our **Responsible Ownership** page on our website.

In addition you can see more detailed reporting on all our Responsible Investment activity, in our **Responsible Investment Report**, including our voting outcomes.

We continue to engage with Santos on their approach to climate and First Nations. Our **2024 Annual Report** on pages 24 and 25 (and prior Annual Reports) sets out our approach to engaging with companies on cultural heritage and this includes our engagement with Santos.

### Socially Conscious investment options

We offer **Socially Conscious investment options** designed for members who want to exclude or limit exposure to particular industries and companies, and this includes companies like Santos. Investments for these options are selected and managed according to additional and more specific screens, including climate change screens, over and above our fund-wide screens. You can read about the screens in detail, including descriptions and relevant thresholds in our **Investment and Fees Handbook** on page 20.

**60. When are you going to stop investing in climate disaster - funds should not be invested in Santos or Woodside, these companies are a danger to the climate.**

Our **Climate Transition Plan 2023** articulates our high-level targets and identifies key actionable initiatives under five key strategic pillars to help achieve the targets. We consider stranded asset risk as part of the Climate Transition Plan.

A key part of our plan is centered on engagement, where we will look to influence positive outcomes in companies where we believe it can have the most impact.

We recognise that some companies have more work to do regarding their transition plans and targets. But as an owner, we can use our ownership rights to help drive that positive change and value in the company for our members' savings.

That's why engagement is our favoured approach, rather than divestment.

We also use our voting rights at company AGM's, including at Woodside and Santos, where they have fallen short of our expectations.

Aware Super has and will continue to engage with both Woodside and Santos, working to raise any concerns and communicate our expectations of future practices and behaviours. We will also use our voting rights at their upcoming AGMs.

As a profit-for-member super fund, our priority and obligation is to protect our members' capital. We are also subject to strict rules about how as an Australian superannuation fund, we invest members' money. In making any investment decision we must act in the best financial interests of our members. This means that any divestment decision must be made rigorously, in line with our policies, and with due consideration given to the performance of our fund for all our members.

You can find more information on how we're **Managing Climate Change Risk** on our website.

## Socially Conscious investment options

We offer **Socially Conscious investment options** for members who prefer to limit investments in particular industries and companies considered to have a highly adverse environmental or social impact.

Investments for these options are selected and managed according to additional and more specific screens including climate change screens. You can read about these options and the screens in our **Investment and Fees Handbook** on page 20.

Woodside and Santos are not included in our Socially Conscious investment options.

### 61. I was happy to see Aware Super announce its intention to vote against the re-election of Woodside's Chair, but am keen to know what's next. Will Aware Super commit to taking stronger action at Woodside ahead of next year's AGM, and sharing these intentions with members again? Without ongoing public disclosure of escalation activities, we as members can't trust that Aware Super is pushing for change at some of the most polluting companies operating in Australia.

Ahead of the 2025 AGMs for both Woodside and Santos we will carefully consider our voting options. Our engagement with both companies in the lead up to the AGMs will be an important input into our decision making.

Generally, Aware Super's engagement objectives for companies identified and prioritised for engagement are set to an annual timeframe, as determined by the company reporting and AGM cycle.

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.

### 62. Will Aware Super commit to vote against the re-election of a director of Santos' 2025 AGM given their weak climate risk management e.g. Barossa and Narrabri?

Ahead of the 2025 AGMs for both Woodside and Santos we will carefully consider our voting options. Our engagement with both companies in the lead up to the AGMs will be an important input into our decision making.

Generally, Aware Super's engagement objectives for companies identified and prioritised for engagement are set to an annual timeframe, as determined by the company reporting and AGM cycle.

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.

### 63. The Chair of Woodside's sustainability committee is up for re-election next year. Given Woodside has strayed further from Paris-alignment since this year's AGM (and Aware Super already voted against the Chair this year), will you commit voting against this director's re-election in 2025?

Ahead of the 2025 AGMs for both Woodside and Santos we will carefully consider our voting options. Our engagement with both companies in the lead up to the AGMs will be an important input into our decision making.

Generally, Aware Super's engagement objectives for companies identified and prioritised for engagement are set to an annual timeframe, as determined by the company reporting and AGM cycle.

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.

### 64. Does Aware Super believe Woodside and Santos' boards have the necessary skills required for the energy transition, and if not, would you consider putting forward your own director nominees and/or continuing to vote against the re-election of these companies' directors?

Ahead of the 2025 AGMs for both Woodside and Santos we will carefully consider our voting options. Our engagement with both companies in the lead up to the AGMs will be an important input into our decision making.

Generally, Aware Super's engagement objectives for companies identified and prioritised for engagement are set to an annual timeframe, as determined by the company reporting and AGM cycle.

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.

### 65. It's clear that Santos is continuing to ignore investor concerns about climate risk management, given its ongoing commitment to progressing projects like Barossa and Narrabri. As such, would Aware Super commit to voting against the re-election of a director at Santos' 2025 AGM?

Ahead of the 2025 AGMs for both Woodside and Santos we will carefully consider our voting options. Our engagement with both companies in the lead up to the AGMs will be an important input into our decision making.

### 66. Concern has been expressed about the valuations of private investments in business and property. How is Aware managing this with independent valuations?

We have established a well governed valuation process under a board approved policy, with accountability for the valuation of direct assets residing outside of the investment team to ensure independence.

The valuation process is overseen by our Valuation Committee which reports through to the Audit Risk and Compliance Committee.

We have a regular valuation cadence using third party valuation specialists on a half-yearly basis.

Each other quarter we review our valuations internally and receive input from external managers.

We also reference other trigger points which may indicate a change in value of a specific asset outside of the normal quarterly cycle, for example comparable market movements or company specific information.

This is to ensure our direct asset portfolio is reflected at fair value for members.

Our auditors also review the valuations and valuation process on an annual basis.

### 67. Damian, great returns across the board! Could you please mention a couple of negative investments over the past year and the lessons learned?

The higher interest rate environment meant unlisted property and infrastructure returns were slightly below long-term averages in the 2024 financial year.

However, our property portfolio has proved resilient compared to peers as we didn't hold large exposures to assets facing significant headwinds, such as retail and office properties.

We're always seeking ways to deliver you the best returns. We expect that different types of assets will perform differently in various market environments. That's why we actively manage a diversified portfolio to help deliver strong returns over the long term.

### 68. How is the money invested in Aware Super?

At Aware Super we invest in a wide variety of assets, with the aim of growing your super over the long-term. We have a large, diversified portfolio of quality investments in things like shares, property, private equity, infrastructure, fixed income and cash.

We have a track record of choosing investments which deliver strong long-term term returns to grow your super. You can see our **Investment Returns** on our website.

We offer a range of investment options with different objectives, levels of risk and expected performance. These include diversified investment options which invest in different assets, as well as single asset class options which invest only in one type of investment.

You can see a list of our investment options, what they invest in, their objectives and risk levels on our **Investment options** page on our website.

If you need help understanding the different investment options, or choosing an option which is right for you, please phone our member services team on **1300 650 873**.

### 69. How do you calculate the cash returns percentage to convert it to annual bank cash interest?

The interest rate disclosed on a bank account is the rate the deposit holder will earn in the future if they maintain the funds in the cash account. The cash returns Aware Super publish are the past returns that the cash option has returned over a certain time period (1 year, 3 years, etc). This would be the main difference between the two rates.

### 70. I'm retired and I want to understand how you manage my money in retirement to help it last, now I'm no longer contributing.

We understand that what our members need in retirement can be different from what they need when they're still in the accumulation phase and that how we invest for our retired members can make a material difference to how long their savings last.

The first thing to remember is that it's very important to stay invested in retirement because this helps your savings last longer and keep up with the rising cost of living.

When a typical member retires and opens a retirement income account with us, only one third of the income they receive in retirement comes from the contributions they made to their super before they retire.

One third will come from the investment returns we made for them while they were working and contributing, and the last third comes from the returns we make for them after they're retired.

We also know that while it's important to keep growing your savings in retirement – it's also a time when you need to safeguard the savings you've worked to accumulate. Large market falls at this stage can really affect you, particularly if you're no longer working and contributing, and are also drawing an income from your savings.

That's why we invest differently in our more conservative retirement options, including our diversified Retirement Income Conservative Balanced option, which is where most of our retired members are invested.

We focus on managing market volatility. We do this by looking for different underlying investment characteristics in the Australian and international shares, and liquid alternatives assets classes. .

Read about how we invest differently in retirement in our **Retirement Income PDS** on page 19.

### 71. Are you going to change the governance model of your fund?

Aware Super has a robust governance framework to ensure we always consider the best financial interests of our members.

In accordance with superannuation law, we have an equal representation Board. Member and employer entities each appoint five directors to the board, while the Board appoints one independent director who is also the Chair of the Board.

Read the **2024 Governance Report** available on our website for more information on our Board and the Governance Framework.

### 72. Why are we limited to so few words when asking a question?

Thank you for your interest in submitting a question for the Aware Super Annual Members Meeting. If your question was not able to fit in the space provided then you may send it to us via the **Contact Us** page on the Aware Super website and we will answer it.

### 73. When a customer requests an appointment or makes an enquiry (email/online) why is there usually a period of weeks before a response, thus requiring customer follow up?

We have several options for our members to access financial advice. Our My Retirement Planner digital advice tool is always available to members to explore how confident they can be in achieving the retirement income they aspire for. We complement this with a Super Helpful Check-in with one of our advisers over the phone or via video. This is very popular and the check-in can generally be accessed within a week or so from request. If you would like to speak to an adviser about your interests in the Aware funds, the wait times are similar. If you seek broader financial advice, we offer video advice or face to face meetings. There is a much shorter wait time for video advice other than agreeing to a suitable time and ensuring you have gathered relevant information. If you would like to see an adviser in person, many regions have same week availability, it really depends on where you are located. Our goal is that members can access the help they need within four weeks.