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AustralianSuper to increase Private Equity investments by \$13 billion

AustralianSuper will invest \$13 billion into private equity globally over the next two years to help deliver strong long-term returns for members.

\$9.5 billion of this capital is planned to be invested in the US where the Fund is targeting a range of sectors including healthcare, technology, industrials, consumer and financials.

AustralianSuper's Head of Private Equity, Terry Charalambous, said the Fund will increase its allocation to Private Equity from 5% today to 7% by 2024 as part of AustralianSuper's strategy to increase its investment in unlisted assets.

'We have a compelling offer,' Mr Charalambous said. 'Not only can we act quickly and deploy large amounts of capital, but we can also bring considerable value to the process by leveraging the deep sector expertise of a 70-person strong global listed equities capability that manages over \$143 billion.'

The Fund's overall Private Equity investment will lift to AUD\$26 billion over the next two years to help drive AustralianSuper's long-term performance. AustralianSuper's Private Equity portfolio is expected to be \$50 billion within five years.

'To help implement the Fund's strategy, our U.S. based Private Equity team will grow to 20 members in the next few years, focused on strengthening relationships with well-aligned investment partners and sourcing compelling long-term investment opportunities,' Mr Charalambous said.

'This is a really exciting time for the Fund as we continue to grow our world-class investment team, with high-calibre investment professionals attracted to our size, scale and purpose-driven culture.'

Mr Charalambous said the Fund has adopted a three-pronged investment approach: investing in General Partner (GP) funds, investing alongside GPs in co-investment and co-underwriting opportunities.

'We have a strong focus on identifying best-in-class managers and working with them to build a relationship that will enable us to invest across all our strategies over the long term,' Mr Charalambous said.

'We have strong relationships with our GP partners who we work with strategically in co-investment and co-underwrite opportunities.'

'Not only do we bring a large pool of long-term capital, but we also have processes that align with the cadence of private equity transactions and can assess and act on opportunities very quickly.'

AustralianSuper started co-underwriting in 2018 and has worked with preferred GPs to deploy \$3 billion in co-underwrite transactions and co-investments over the past 18 months across 10 transactions globally.

AustralianSuper will invest in a diversified portfolio, both by investment style and type, and sector.

'The Fund is working with leading GPs to source opportunities, including management buyouts, growth equity financing and public to private transactions,' Mr Charalambous said.

AustralianSuper is Australia's largest retirement savings fund and has over \$260 billion in member assets. The New York office opened in 2021 and is focussed on investing in private markets, where the Fund has \$72 billion invested globally. This is targeted to grow to \$100 billion by June 2024. AustralianSuper opened a New York office last year and expects to have just over 100 people in London and just under 100 in New York by end of 2024.

Media Enquiries:

Stephen McMahon
Senior Manager Media Relations
Mobile: +61 407 507 415
smcmahon@australiansuper.com

About AustralianSuper

AustralianSuper manages more than \$260 billion in members' retirement savings on behalf of more than 2.6 million members from more than 370,000 businesses (as at 31 December 2021). One in 10 working Australians is a member of AustralianSuper, the nation's largest superannuation fund. AustralianSuper's Balanced option has generated a 10-year rolling return of 10.65% per annum to 31 December 2021, making it one of the top three performing funds in Australia over the long-term.¹

¹ AustralianSuper Balanced investment option as compared to the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60-76) to 31 December 2021. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns.

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