

CEFC and Qantas Super back companies to fast-track net zero transition with 2050 Fund

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The CEFC has ramped up investment in companies that are fast-tracking the decarbonisation of the economy, with a \$50 million cornerstone investment in the Ellerston 2050 Fund alongside a \$50 million commitment from Qantas Super to support the work of Australia's carbon abatement "enablers".

These "enablers" are companies that are providing the technology and services that their customers use to reduce their carbon footprints. They represent a new area of economic growth and business development, able to capitalise on the growing wave of investment into emissions reduction.

The open-ended, wholesale Fund will be managed by Ellerston Capital and will focus on investing in listed and unlisted small to mid-sized companies which actively help reduce carbon emissions in the wider economy. These include companies with low carbon products, technology and services that enable energy efficiency or facilitate the accelerated adoption of low emissions technologies.

Placing sustainability at the core of its investment process, companies targeted by the 2050 Fund will be assessed on their ability to contribute to meaningful carbon abatement.

CEFC CEO Ian Learmonth said: "We are seeing significant change across corporate Australia as large companies commit to increasingly ambitious emissions reduction targets. As this shift gains momentum, demand for products and services that enable companies to meet these targets will continue to increase and will play an integral role in building carbon reduction across the wider economy. The 2050 Fund is about delivering expert capital to these companies to help accelerate their growth as a part of the low emissions economy of the future.

"We are delighted to be working with Qantas Super and the experienced Ellerston Capital team to support the growth of this emerging asset class in both the listed and unlisted equities sector. We are confident the 2050 Fund will enable fast growing companies to benefit from the transition to net zero emissions by bringing innovative products and service solutions to market. By backing these new businesses, we are demonstrating how we can support economic growth while also reducing emissions."

Andrew Spence, Qantas Super CIO said: "We value the opportunity to provide environmentally aligned capital to support the work of Australia's carbon abatement enablers. This approach is consistent with our commitment to deliver great investment performance to our members, while also achieving net zero carbon emissions across our investment portfolio by 2050. We're excited to be working with the CEFC and Ellerston Capital to help us meet this goal."

Ashok Jacob, Ellerston Capital Executive Chairman and CIO said: "As a responsible investor focused on supporting the growth ambitions of small companies as they seek capital and public listing, we are seeing an increasing amount of companies explicitly providing solutions



to help the economy transition to net zero emissions. A growing urgency is required to tackle the causes and consequences of climate change and this is recognized by investors such as CEFC and Qantas Super with whom we are proud to be partnering with to address this clear structural growth opportunity."

The Responsible Investment Association of Australia reported that in 2020 only a quarter of investment managers could demonstrate consideration of ESG factors when valuing assets, construction of portfolios and the allocation of capital. In the same year, the market for responsible investments in Australia grew to \$1.2 trillion, 15 times the growth rate of Australian professionally managed investments.¹

About the CEFC

The CEFC has a unique mission to accelerate investment in Australia's transition to net zero emissions. We invest to lead the market, operating with commercial rigour to address some of Australia's toughest emissions challenges. We're working with our co-investors across renewable energy generation and energy storage, as well as agriculture, infrastructure, property, transport and waste. Through the Advancing Hydrogen Fund, we're supporting the growth of a clean, innovative, safe and competitive hydrogen industry. And as Australia's largest dedicated cleantech investor, we continue to back cleantech entrepreneurs through the Clean Energy Innovation Fund. With \$10 billion to invest on behalf of the Australian Government, we work to deliver a positive return for taxpayers across our portfolio.

About Qantas Super

Qantas Super is one of Australia's largest corporate super funds. It exists for people who are working for, or have worked for, the Qantas Group and their spouses. Qantas Super has been working for its members since 1939 and has over 27,000 members and approximately \$8.5 billion in assets under management. For more information, visit www.qantassuper.com.au

¹ Responsible Investment Association Australasia, *Responsible Investment Benchmark Report Australia 2021*, p8. <https://responsibleinvestment.org/wp-content/uploads/2021/09/Responsible-Investment-Benchmark-Report-Australia-2021.pdf>