

Media Release

IFM Investors 



NEW HUNTER-CENTRAL COAST RENEWABLE ENERGY ZONE AND SUPPORT FOR SUSTAINABLE AVIATION FUEL HELPING ACCELERATE INDUSTRY SUPER INVESTMENT IN AUSTRALIA'S ENERGY TRANSITION

Thursday 19 December

IFM Investors welcomes the landmark agreement between Ausgrid and Energy Corporation of NSW (EnergyCo) for Ausgrid to deliver the new Hunter-Central Coast Renewable Energy Zone.

The agreement marks the first step for Ausgrid to deliver this critical infrastructure which is aimed at boosting the capacity of the energy network, enabling faster and cheaper integration of renewables into the grid, and creating jobs and economic benefits for the region.

Ausgrid, co-owned by industry super investors, including IFM, and the NSW Government, is the largest distributor of electricity on Australia's east coast, providing power to 1.8 million customers, which equates to approximately four million Australians.

This is a great example of the way industry super investment can help accelerate Australia's energy transition and deliver appropriate risk-adjusted returns for working people's retirement savings.

In December last year, IFM and eight industry super funds, collectively representing around A\$1 trillion of workers' retirement savings, provided a series of recommendations to state and federal governments identifying policy solutions to help drive greater investment into Australia's energy transition.

Super-powering the energy transition: A policy blueprint to facilitate superannuation investment highlighted the critical role of distribution businesses like Ausgrid in the energy transition.

Distribution network service providers are an important part of the energy system, with capabilities that can be used to accelerate delivery of new transmission infrastructure.

The Blueprint's recommendation to enable the development of an Australian sustainable aviation fuel (SAF) industry is also a step closer with the Commonwealth Government's announcement of \$8 million in funding from the Australian Renewable Energy Agency to Ampol and \$6.1 million to GrainCorp for their studies to develop renewable fuel alternatives for Australia's airline industry.

IFM Investors, with the support of its industry superannuation fund owners, is partnering with leading agribusiness and processing company GrainCorp and Australia's largest transport energy provider, Ampol, to advance the establishment of a local SAF industry.

There is the potential to invest more than \$1 billion to help support the development of local SAF production, and that figure could grow over time.

Read *Super-powering the energy transition: A policy blueprint to facilitate superannuation investment* here: www.ifminvestors.com/news-and-insights/thought-leadership/super-powering-the-energy-transition-a-policy-blueprint-to-facilitate-superannuation-investment/.

Quotes attributable to IFM Investors Head of Infrastructure Australia Michael Hanna

"We welcome this significant project as a meaningful opportunity to boost the capacity of the transmission network, with the aim of supporting faster and cheaper integration of renewables into the grid. A key feature of Ausgrid's bid was the use of existing land easements which will significantly limit the disruption to Hunter Valley communities."

"The project enables industry super investment in Australia's energy transition and delivers long-term returns for working people's retirement savings."

"We released an energy blueprint, alongside super funds, to set out policy reforms that could help scale up investment in the energy transition in Australia. This landmark agreement shows that government and industry can work together to create policy settings that attract further investment in Australia's energy transition."

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About IFM Investors

IFM Investors was established more than 25 years ago with the aim to invest, protect and grow the long-term retirement savings of working people. Owned by a group of Australian industry super funds, IFM Investors has approximately A\$221.7 billion funds under management, as at 30 September 2024. Because IFM is owned by industry pension funds, we prioritise the interests of 735 like-minded investors worldwide by focusing on assets that combine excellent long-term risk/reward characteristics with broad economic and social benefits to the community. As a signatory to The United Nations-supported Principles for Responsible Investment, IFM actively engages on sustainability issues with the companies in which we invest with the aim of enhancing their net performance while minimising investment risk. Operating globally from offices in Melbourne, Sydney, London, Berlin, Zurich, Amsterdam, Milan, New York, Houston, Hong Kong, Seoul and Tokyo, IFM manages investments across infrastructure equity, debt, listed equities, real estate and private equity assets. For more information, visit www.ifminvestors.com.