

## IFM takes majority stake in global construction technology business

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IFM Investors' private equity Growth Fund has acquired a majority stake in Render Networks, a global provider of construction management Software as a Service (SaaS) solutions for builders and operators of telecommunications, energy and utility networks.

Dividends that are generated through investments like these go to IFM's investors – which are largely superannuation funds – and through them, into the pockets of the millions of working people they represent.

Headquartered in Melbourne and with operations in the United States and the United Kingdom, Render uses a proprietary geospatial construction platform to build networks more efficiently.

Disrupting the decades-old, traditional approach to network construction, Render's platform leverages advanced algorithms and machine learning capabilities to optimally design, plan and track construction delivery across the project lifecycle.

Among Render's clients are fibre network utility operators such as Strata Networks, SpringNet, and First Electric Co-operative in the US, and Wessex Internet in the UK. They also service construction contractors and turn-key project managers, such as Irby Utilities and The Broadband Group in the US; and have a successful record with tier 1 delivery partners across Australia's NBN rollout.

Render's technology has a track record of facilitating networks to be built up to 30% faster and with up to 50% less material waste and rework compared with traditional construction practices, which Render estimates could drive cost savings for customers of around 15%.

The efficiency benefits gained by Render's customers also create sustainability outcomes by helping the sector avoid more than 12,000tCO<sub>2</sub>e,<sup>1</sup> largely by reducing transport emissions in the value chain and emissions associated with input materials. This emissions avoidance potential is expected to increase as the business continues to scale.

With its strong customer value proposition, Render is a growing and profitable business, and IFM sees further growth opportunities through expanding its product offering and footprint into new regions and markets.

The company was co-founded in 2013 by Dan Flemming, former head of construction at NBN Australia, and Joe Forbes of Biarri, a commercial mathematics incubator of B2B SaaS solutions.

The investment is the second deal for IFM's Growth Fund, which invests on behalf of institutional investors and targets investments in proven, high-growth companies, across the Australian technology, business services and healthcare sectors and supports them to scale rapidly.

The fund also includes Payapps, a Melbourne-based, global SaaS provider in the construction and building management sector with operations in Australia, New Zealand, North America and Europe.

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<sup>1</sup> Compared to the industry average emissions intensity of 26 tCO<sub>2</sub>e / \$ revenue and assuming a 30% reduction in time to construct.

The transaction reflects IFM's Private Equity approach of investing in businesses that support emissions reduction through their products. It is also aligned with IFM's firmwide commitment to reduce greenhouse gas emissions across its asset classes targeting net zero by 2050.

The investment of approximately A\$40m, including growth capital, was led by Adrian Kerley and Bora Han from IFM Investors. Mr Kerley and IFM's Head of Private Equity Stuart Wardman-Browne will join the Render Network Board as Non-Executive Directors.

IFM was advised by PWC, Gilbert & Tobin and Altman Solon.

**Quote attributable to IFM Investors Head of Private Equity Stuart Wardman-Browne:**

"We are delighted to partner with Render Networks and see this investment as one that will continue to help IFM deliver on its purpose to protect and grow the retirement savings of working people."

**Quote attributable to IFM Investors Executive Director Adrian Kerley:**

"Render Networks is well positioned to capitalise on the connectivity boom that is increasing at pace, as well as the global transition to a net zero economy, which requires every sector – including construction – to examine all aspects of their operations and adopt technologies that help reduce their operational footprint."

**Quotes attributable to Render Networks Founder Dan Flemming:**

"We formed Render knowing we had invented something special. Our platform streamlines deployment end to end by replacing traditionally manual processes with a unique task-based, geospatial approach to work management."

"We are thrilled to partner with IFM, a global leader in infrastructure and network investment. This transaction will fund a number of clearly identified growth initiatives and help cement our position as a global industry leader in telco construction software."

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**About IFM Investors:**

IFM Investors was established more than 25 years ago with the aim to protect and grow the long-term retirement savings of working people. Owned by a group of Australian pension funds, the organisation has A\$181 billion under management as at 31 March 2022. Because IFM is owned by industry pension funds, we prioritise the interests of 600 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 ESG 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, New York, HongKong, Seoul and Tokyo, IFM manages investments across infrastructure, debt, listed equities and private equity assets. For more information, visit [www.ifminvestors.com](http://www.ifminvestors.com)