

MEDIA RELEASE

Local Government Super celebrates 20 years as a tobacco-free investor

The first super fund in Australia to stop investing in tobacco

Sydney, 3 March 2021: Local Government Super (LGS), an industry leader in responsible investment, is marking 20 years since becoming the first Australian super fund to stop investing in tobacco.

In 2001 LGS divested all of its holdings in tobacco, establishing the super fund as a pioneer in responsible investment.

The exclusion of tobacco in investment portfolios is considered a fundamental step when it comes to responsible investment and underscores LGS' strong commitment towards achieving a tobacco-free world.

Phil Stockwell, LGS Chief Executive, says that along with the direct health effects on those who choose to smoke and the associated health costs to society, there are other factors to consider when it comes to the tobacco industry.

"There are the obvious detrimental impacts such as passive smoking and litter from discarded cigarettes, but there are also human rights issues associated with growing tobacco," Mr Stockwell says.

"LGS was a pioneer when it came to excluding tobacco companies from its investment portfolios and we haven't been investing in companies that manufacture tobacco or tobacco products for 20 years.

"Our investments meet the United Nations Sustainable Development Goals and we measure our impact against this framework. 'Good health and wellbeing' is one of these goals and we believe being tobacco free helps achieve this."

LGS is one of more than 160 signatories to the [Tobacco-Free Finance Pledge](#). The signatories, which together manage or advise on assets worth more than US\$11 trillion, are committed to implement tobacco-free finance policies.

Moya Yip, LGS Head of Responsible Investment, says: "LGS is a proud supporter of tobacco-free portfolios and the fund was founded on responsible investment principles which remain at the core of what we do.

“We invest responsibly and have done so effectively and successfully for many years. Responsible investment is in our DNA and we incorporate ESG and active ownership strategies into our investment approach.

“We believe responsible investment underpins better fund performance,” Ms Yip says.

LGS is carbon neutral and in 2021 received the SuperRatings Infinity Award for a record seventh time. The accolade is a prestigious award, recognising the super fund most committed to environmental and ethical responsibilities.

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NOTES TO THE EDITOR

About Local Government Super

LGS manages more than \$13 billion in superannuation assets for approximately 80,000 members, including current and former NSW local government employees.

LGS is a certified responsible super fund with investments across Australian and international shares, property, infrastructure, private equity, fixed interest and absolute return asset classes.



CERTIFIED BY RIAA



The Certification Symbol signifies that a product or service offers an investment style that takes into account environmental, social, governance or ethical considerations. The Symbol also signifies that LGS has adopted strict disclosure and education practices required under the Responsible Investment Certification Program for the category of Superannuation Fund. The Certification Symbol is a Registered Trade Mark of the Responsible Investment Association Australasia (RIAA). Detailed information about RIAA, the Symbol and LGS's methodology and performance can be found at www.responsibleinvestment.org, together with details about other responsible investment products certified by RIAA.¹

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