



THE 2ND VICSUPER SUSTAINABILITY COVENANT COMMITMENTS 2006/07

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KEY STRATEGY 1: DELIVER VALUE

Key strategic issue	Commitments 2006/07 (16 August 2006 – 30 June 2007)
Superannuation benefits administration, advice and education services	Open Blackburn Advice Centre to service members and employers in the east and south-east regions of Melbourne
	Establish framework and guidelines for use of electronic member communication
	Display paper credentials within VicSuper publications
	Increase the number of members and employers using online services for superannuation benefits administration and education services
	Use new technology to increase process efficiencies and reduce the amount of paper generated in creating Statements of Advice through our superannuation advice services.
Information technology	Research, identify and recommend available technological solutions to increase efficiencies and reduce VicSuper's paper usage in provision of superannuation benefits administration, advice and education services
Communications	Research, write and produce a printed concise version of the VicSuper Sustainability Report 2006 to improve communication of environmental sustainability at VicSuper, to improve accessibility to members, and to reduce paper and greenhouse gas emissions.

KEY STRATEGY 2: INVEST FOR THE LONG TERM

Key strategic issue	Commitments 2006/07 (16 August 2006 – 30 June 2007)
Sustainability performance of VicSuper Fund investment portfolio	Analyse and report on the environmental sustainability of VicSuper's equity investment portfolio and expand this initiative to other asset classes
Sustainability investing	Contribute intellectual capital to future farming landscapes which seeks opportunities to invest in landscape change in Victoria
Sustainability investing	Seek additional sustainability investment opportunities to diversify VicSuper's equity and fixed interest sources of returns.
Asset ownership	Identify opportunities to engage with companies on the environmental costs of their operations
Asset ownership	Actively participate in the UN Principles for Responsible Investment collaborative engagement committee, seeking engagement on social and environmental issues for VicSuper's international equity portfolio
Stakeholder dialogue	Collaborate with and provide intellectual capital to the Investor Group on Climate Change Australia and New Zealand to coordinate the Australian launch of the third Carbon Disclosure Project results on behalf of the UK Institutional Investors Group on Climate Change. Assist in the extension of the Carbon Disclosure Project for a wider group of Australian and New Zealand companies and instigate research into the investment-related risks and opportunities of climate change
Communication	Further development of VicSuper's communication with members in relation to corporate governance and proxy voting



KEY STRATEGY 3: RECRUIT AND RETAIN QUALITY PEOPLE

Key strategic issue	Commitments 2006/07 (16 August 2006 – 30 June 2007)
Recruitment	Further promote VicSuper’s commitment to environmental sustainability through developing promotional materials to distribute at university careers fairs as part of our graduate recruitment program.
	Review the careers page of the VicSuper website and implement enhancements ensuring current information and links to VicSuper’s commitment to sustainability.
	Promote VicSuper as an industry leader in sustainability through VicSuper’s recruitment advertising strategy
High performance culture	Recognise staff commitment and encourage innovation in environmental sustainability through VicSuper’s staff Performance Review and Development System
	Recognise staff innovation in environmental sustainability through awards presented at staff breakfast meetings
Learning and development	Develop skills and capabilities of VicSuper’s staff sustainability committee, FROGS, in advanced sustainability and behavioural change techniques
	Identify sustainability experts external to the company and invite their assistance in presenting to staff and management on corporate sustainability trends and developments
	Expand discussion and engagement on environmental sustainability in VicSuper’s induction programs for new employees
	Review, update and implement VicSuper’s staff sustainability education program providing opportunities for all staff to complete sustainability training on general topics and on role specific topics.
	Develop and roll out a sustainability training/briefing module designed for new starters to VicSuper to be integrated into the induction program enhancements
	Report sustainability achievements, developments and trends to staff at the monthly Chief Executive’s staff breakfast meetings
	Implement a self-service fully integrated human resource system enabling staff to access their own personal information, make changes, enquires and apply and approve applications for leave online

KEY STRATEGY 4: MAINTAIN SOUND GOVERNANCE AND ACCOUNTABILITY

Key strategic issue	Commitments 2006/07 (16 August 2006 – 30 June 2007)
Sustainability reporting	Prepare and distribute VicSuper’s annual Sustainability Report 2006 to stakeholders
Risk assessment	Consider environmental risks in 2006/07 biannual risk assessment reviews and business continuity, disaster recovery and emergency plans
Decision support systems and operations	Finalise an overarching sustainability policy and commence project to ensure alignment of VicSuper policies with VicSuper’s central operating principle
	Provide staff tools and training on how to apply VicSuper’s sustainability and supplier policies, and in decision making including the preparation of recommendations in Trustee decision papers
	Investigate implementing an electronic compliance system which would provide paper savings for the business units and the compliance team, and make the process easier for staff to complete.



KEY STRATEGY 5: CONTINUE FINANCIAL STABILITY AND GROWTH

Key strategic issue	Commitments 2006/07 (16 August 2006 – 30 June 2007)
Productivity improvement	Assess opportunities for environmental sustainability-driven productivity improvements
	Investigate implementing an electronic-based receipting system which would generate greater efficiency and cost savings, through improved turn-around-time, resource savings, elimination of staff tedium and freeing up staff time for more value-added tasks
	Research and investigate improvements in the back-office investment function which would provide paper savings (through electronic-based records) and promote greater job satisfaction
Brand management	Inform members about VicSuper's environmental sustainability agenda, publicising the link between sustainability and superannuation in public forums, through VicSuper's website and in other communication mediums
	Conduct regular reporting through VicSuper's website and communications media on environmental impacts on financial outcomes

KEY STRATEGY 6: MINIMISE OUR ENVIRONMENTAL IMPACT

Key strategic issue	Commitments 2006/07 (16 August 2006 – 30 June 2007)
Environmental impact of VicSuper premises	Incorporate environmental sustainability principles into the design brief and fit out of VicSuper's Metropolitan Advice Centre
Environmental impact of staff transport	Implement vehicle purchasing guidelines to ensure selection of the most environmentally sustainable option for VicSuper's functional and safety requirements
	Help staff to understand the environmental impacts of transport and provide encouragement to explore commuting alternatives
	Review business procedures and practices and identify opportunities, where practical, to move information rather than people and products. For example through the use of information technology communications such as video conferencing and telecommuting
Environmental impact of staff resource use	Research options for electronic communications and assess environmental benefits and impact on communication objectives
	Review waste generation, collection and reporting objectives and implementation
	Formulate and implement action plan to reduce paper used for internal purposes
	Undertake energy audit of VicSuper head office premises, and develop and implement an action plan to reduce energy use
	Develop strategies to reduce paper use by 10% in 2006/07 in the Member Benefits and Services team
	Review business practices and implement technology or process improvements to reduce scanning requirements and duplicate printing of documents.

KEY STRATEGY 7: FOSTER EFFECTIVE PARTNERSHIPS

Key strategic issue	Commitments 2006/07 (16 August 2006 – 30 June 2007)
Supply chain	Finalise and implement sustainability supplier and purchasing policy and engagement program
Effective networks and capacity building	Identify and act on opportunities for collaboration with, and influence of, partners on environmental sustainability issues
Local community impact	Through the staff sustainability committee (FROGS) community involvement project group, the 'Movers and Shakers', implement, monitor and internally promote community based partnerships with an environmental group that was formed in 2005/06.