



UniSuper



forico
future fibre



MEDIA RELEASE

EMBARGOED UNTIL 05 OCTOBER 2023, 10AM SYD/ 7AM HKT/ MIDNIGHT BST/1AM CEST

UniSuper, PPF and APG acquire Forico and Tasmania's largest hardwood estate

New Forests to continue as investment manager

SYDNEY/LONDON/AMSTERDAM: 5 October 2023 - Australian superannuation fund UniSuper, the UK's Pension Protection Fund (PPF), and APG Asset Management N.V (APG) on behalf of its Dutch pension fund client ABP, have announced the acquisition of Forico and a 170,000-hectare plantation forestry estate in Tasmania, from a New Forests managed fund.

Forico is Tasmania's largest private forest management company. The forestry estate is one of Australia's largest plantation hardwood estates by productive area and consists of vertically integrated assets and operations spanning approximately 90,000 hectares of productive plantation forest. It also owns key infrastructure along the supply chain consisting of two wood processing mills, a seedling nursery, fibre technology laboratory, and port access via a freehold facility at Long Reach, Tasmania.

The estate is the largest freehold land estate in Tasmania and a key contributor to the supply of sustainable hardwood domestically and abroad for end uses such as packaging and tissues.

Under the agreement, the three investors will each own 33% of Forico and the forestry estate. New Forests will be retained to provide investment management services.

In 2013, a New Forests' managed entity acquired the estate with co-investors, and over the past decade, working closely with Forico, has helped to transform the asset into what is today one of Australia's leading sustainable timber producers.

Forico's market leading approach to valuing natural capital and sustainability reporting has demonstrated that the estate is sequestering more than 123 million tonnes of CO₂e. The current plantation rotation is expected to remove from the atmosphere and sequester a further 24.7 million tonnes before it is harvested and replanted for another rotation.

In December 2022, Forico became the first forestry manager in Australia to achieve FSC® Ecosystem Services certification for its approach to protecting the biodiversity values across its estate.

Sandra Lee, Head of Private Markets at UniSuper commented, "We're delighted to be investing in an asset of this scale and quality. This adds further momentum to our growing private markets and forestry portfolios, as we continue to be on the lookout for quality investments that help our members grow their retirement savings over the long term*. Not only is forestry a portfolio diversifier, but it also supports the global transition towards decarbonisation through carbon storage as well as substitution to sustainable timber material. We look forward to working closely with New Forests and our co-investors as we further develop this asset."

Hans-Martin Aerts, Head of Infrastructure & Natural Resources at APG Asset Management Asia said, "Investing in the forestry asset class provides an opportunity to deliver strong returns for our pension fund client ABP and its participants, while contributing to sustainable development goals around climate action, improving livelihoods and sustainably managing land. We're looking forward to our continued involvement with this market-leading vertically integrated sustainable forestry business."

Alex Leonard, Head of Infrastructure, Timberland & Farmland at the Pension Protection Fund (PPF) said, “Forestry is an important asset class for the PPF and this direct investment further underpins our commitment to investing responsibly. Our focus on using our funds in these longer term productive investments, in both UK and global markets, is important for sustainable growth and productivity. We are particularly attracted to the strong growth prospects for hardwood fibre, and Forico’s position at the forefront of advances in silviculture, the circular bioeconomy and natural capital. Adding this high quality, well-managed asset to our existing timberland portfolio benefits those who rely on us through strong investment returns while delivering tangible, long-term environmental benefits. Everyone wins.”

Evangelista (Ange) Albertini, Chief Executive Officer of Forico said, “Attracting and retaining long term investment partners in UniSuper, PPF and APG helps to secure a prosperous future for Forico and the forestry industry. It will allow us to continue to innovate, adopt market leading practices, and look at ways to add value to the natural environment.”

Mark Rogers, Chief Executive Officer, New Forests and Chair of Forico said, “We have a long history with this asset in Tasmania and are delighted to bring together like-minded, long-term partners to support the future of forestry in Australia. We’ll be looking at ways to add further value, harnessing the growth in the circular bioeconomy, carbon projects, natural capital and biodiversity markets.”

Financial details of the transaction are confidential.

Ends

About UniSuper

UniSuper is one of Australia’s largest superannuation funds and is run solely for the benefit of its members. For 40 years, UniSuper has been managing super for people employed in the higher education and research sector; in 2021 UniSuper opened the fund to all Australians. UniSuper currently invests over AUD \$120 billion on behalf of over 615,000 members (as at June 2023).

UniSuper’s growing private markets portfolio, valued at approximately AUD \$15 billion, targets high quality unlisted assets such as plantation forests, [digital infrastructure](#) and airports. You can read more about UniSuper’s approach to [investments here](#).

**Please note past performance is not an indicator of future performance. The information provided above is of a general nature only and does not take into account your individual objectives, financial situation or needs. Consider the [PDS and TMD](#) on UniSuper’s website and your circumstances before making decisions, because we haven’t.*

About APG

As the largest pension provider in the Netherlands, APG looks after the pensions of 4.8 million participants. APG provides executive consultancy, asset management, pension administration, pension communication, and employer services. We work for pension funds and employers in the sectors of education, government, construction, cleaning, housing associations, sheltered employment organisations, medical specialists, and architects. APG manages approximately 540 billion euros (July 2023) in pension assets. With approximately 3,000 employees, we work from Heerlen, Amsterdam, Brussels, New York, Hong Kong, Singapore, Shanghai, and Beijing. (www.apg.nl/en)

About Pension Protection Fund (PPF)

The Pension Protection Fund (PPF) is a UK public corporation, run by an independent Board and accountable to Parliament. It protects close to 10 million members belonging to more than 5,200 pension schemes. If an employer collapses and its DB pension scheme cannot pay members what they were promised, the PPF pays compensation for their lost pensions. The PPF is funded by a levy charged to eligible schemes, the return on its investments, assets from pension schemes transferred into the PPF and recoveries from insolvent employers.

The PPF is one of the UK's largest asset owners with £39 billion of assets under management. www.ppf.co.uk

About New Forests

New Forests is a global investment manager of nature-based real assets and natural capital strategies, with AUD 10.73 billion (USD 7.3 billion) in assets under management across more than 1.2 million hectares (3.14 million acres) of investments. We manage a diversified portfolio of sustainable timber plantations and conservation areas, carbon and conservation finance projects, agriculture, timber processing and infrastructure. We aim to generate shared prosperity for our clients and the communities in which we operate and accelerate the transition to a sustainable future.

Headquartered in Sydney, New Forests is a Certified B Corp and operates in Australia, New Zealand, Southeast Asia, Africa and the United States. www.newforests.com

About Forico

Forico is Tasmania's largest private forest manager, managing approximately 173,000 hectares across the state. Our globally certified forests consist of 89,000 hectares of sustainable plantation, managed for wood fibre production, and 77,000 hectares of natural forest managed for conservation, biodiversity and cultural values.

Forico have released annual world-leading and Australian-first Natural Capital Reports, setting a benchmark for business and industry in environmental stewardship and corporate sustainability reporting. The company has won prestigious Finance for the Future and 2023 Banksia Foundation sustainability awards. www.forico.com.au