



CSF Pty Limited
(ABN 30 006 169 286) (AFSL 246664)

MYLIFEMYMONEY Superannuation Fund

Voting Policy

April 2016

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1. Background

- 1.1 This Voting Policy sets out the approach adopted by CSF Pty Limited (**the Trustee**) in relation to voting on resolutions put to shareholder meetings of its investee companies.
- 1.2 The large majority of the Trustee's investments in Australian Equities are held via segregated portfolios governed by Investment Management Agreements between the Trustee and investment managers appointed to manage the portfolios, including stock selection and trading.
- 1.3 The underlying shares are held by the Trustee's custodian, NAB Asset Servicing. NAB Asset Servicing provides a facility allowing the Trustee to lodge its voting directions which are then submitted to the relevant company meeting. Under these arrangements, the Trustee is able to determine the way in which voting rights attached to company shares are exercised.
- 1.4 All investment in International Equities is undertaken via investment in commingled or pooled funds. The manager of the pooled vehicle invariably has the legal capacity to exercise voting rights attached to ownership of the underlying shares, not the Trustee and other investors.
- 1.5 The percentage of an individual company's shares owned by the Trustee, directly or indirectly, is typically much larger in the case of Australian Equities. Further, the Trustee is better-placed to make informed decisions in relation to resolutions coming before shareholder meetings of Australian companies.
- 1.6 For these reasons, voting activity focuses on Australian Equities.

2. Principles and Guidelines

- 2.1 Votes are exercised in a way that is expected to enhance members' long term financial interests, consistent with the Trustee's responsibilities under the *Superannuation Industry (Supervision) Act 1993 (Cth)* (**SIS Act**) and common law.
- 2.2 The Trustee will refer to accepted corporate governance industry standards including:
 - a. FSC Standard No.13: Voting Policy, Voting Record And Disclosure (March 2013)
 - b. The ASX *Corporate Governance Principles and Recommendations with 2014 Amendments* (3rd edition)
 - c. ACSI's *Governance Guidelines – A Guide for Superannuation Trustees to Monitor Listed Australian Companies* (July 2013)
- 2.3 The Trustee, as a member of the Australian Council of Superannuation Investors (**ACSI**), will contribute to the continuing development and implementation of ACSI's corporate governance guidelines, which have been developed as a reference to what constitutes good corporate governance practice in listed companies from the point of view of a superannuation fund, and are a reference when applying this Policy.

- 2.4 In addition to corporate governance industry standards, the Trustee will consider issues across environmental, social and governance (ESG) issues as set out in the Principles for Responsible Investment (PRI) to which the Fund is a signatory. The Trustee's Responsible Investment Policy sets out the major issues related to ESG factors and the Trustee will take these into account in considering the exercise of the Fund's voting rights. In addition, the Trustee's Climate Change Policy sets out the core beliefs with respect to climate change including the assessment and management of risks as part of its fiduciary duty to members.

3. Australian Equities

3.1 Mandated Australian Equity Fund Managers

- 3.1.1 The fund managers have been instructed that all resolutions issued by the companies included in their respective portfolios will be voted on by the Trustee. The Trustee exercises the voting rights in the vast majority of cases.
- 3.1.2 The Trustee receives proxy voting advice from the ACSI and from the Fund's Australian equity fund managers. ACSI's advice covers approximately the largest 300 companies in the Australian market. These companies comprise the large majority of the Trustee's Australian shares portfolio.

3.2 Process

- 3.2.1 The Trustee's internal investment team considers the appropriate voting position following receipt of recommendations and/or advice from the ACSI and/or from the managers.
- 3.2.2 Where the position being adopted by ACSI and the managers is consistent, votes will generally be exercised in line with that position.
- 3.2.3 Where the position adopted by ACSI and one or more managers differs, the vote will be exercised after consideration of the reasoning provided by the various parties. Views of other stakeholders may also be taken into account.

3.3 Pooled Vehicles

- 3.3.1 Fund managers are to report to the Trustee once each year (with timing to be advised) or more frequently if requested. The report should deal with the following:
- a. Current policy and guidelines on corporate governance;
 - b. The extent to which the fund manager has adopted ACSI's guidelines on corporate governance; and
 - c. A summary of voting activities of the fund manager over the past year. This may include, but not be limited to, the number of meetings and proposals being voted on, the pattern of the votes (percentage of "for", "against" and other votes for each type of proposal), and the highlights of the voting activities.
- 3.3.2 The Trustee will encourage fund managers to incorporate formal corporate governance standards that are to be applied in the investment selection and monitoring of companies on behalf of the Fund.

3.3.3 Moreover, managers' records on voting on corporate governance, environmental and social issues will be considered when manager appointments are being reviewed.

4. Global Equities

4.1 Fund managers (currently all invested through unit trusts) are to report to the Trustee once each year (with timing to be advised) or more frequently if requested.

4.2 The report should deal with the following:

- a. Current policy and guidelines on voting; and
- b. A summary of voting activities of the fund manager over the past year. This may include, but not be limited to, the number of meetings and proposals being voted on, the pattern of the votes (percentage of "for", "against" and other votes for each type of proposal), and the highlights of the voting activities.

5. Reporting

5.1 The Chief Investment Officer will report on the Trustee's voting record to the Investment Management Group and the Board annually in April or May each year, or on a more frequent basis as required by the Board.