

## The following is an extract from the Trustee's Investment Governance Policy (approved 21st July 2017) which sets out its Proxy Voting policy

### 1 Overview

NULIS Nominees (Australia) Limited ('the Trustee') represents shareholders of direct Australian listed securities in matters of corporate governance through the proxy voting process. The process is designed to protect and enhance the investment value of members' assets, recognising the strong link between good corporate governance and investment value.

The Trustee's proxy voting policy is to assess and vote (unless it has a good reason for abstaining) all proxies for every resolution in respect of holdings beneficially owned by the Trustee in ASX listed companies and managed investment schemes.

Resolutions assessed as uncontentious, or contentious and immaterial will be voted in line with the Trustee's chosen proxy adviser.

Resolutions assessed as contentious and material are referred to the relevant Investment Committee for consideration on the exercise of the vote.

In determining how to vote on behalf of members on contentious resolutions, the Investment Committee will make an assessment, utilising information from a number of sources. These include market information and reports from independent corporate governance groups. Issues referable to the Investment Committee can range from the proposed issue of executive options without adequate performance hurdles to resolutions that may adversely affect the rights of existing shareholders. The Investment Committee also takes into consideration best practice standards of corporate governance when considering the voting decision and reviews its processes on an ongoing basis.

In the event that the MasterKey and Plum Investment Committee and the Super Wrap and IDPS Investment Committee resolve to vote differently in relation to the same resolution, both resolutions are to be escalated for decision by the Board.

The Trustee's decision to assess and vote (unless it has a good reason for abstaining) all proxies for every resolution for companies publicly listed in Australia in which we have discretion to vote represents a serious commitment to encourage these companies to be accountable for their actions and to uphold good corporate governance.

In accordance with the requirements of FSC Standard No. 13 'Proxy Voting' (FSC Standard), the Trustee will exercise its proxy voting rights on all ASX listed investments. To comply with the FSC Standard the Trustee will:

- maintain the proxy voting policy and make it available to members on the website<sup>1</sup>;
- disclose whether or not it engages the services of proxy advisers;
- vote on all ASX listed securities' resolutions where it has authority and responsibility to do so, unless it has good reason for abstaining; and
- publish the proxy voting record for the previous financial year in the form required by the FSC Standard, within 20 business days of the end of each financial year.<sup>2</sup>

### 2 Recording and reporting of proxy votes

The Trustee has delegated to ThreeSixty overall responsibility for the implementation and monitoring of the proxy voting policy, practices, disclosures and record-keeping on a day to day basis.

ThreeSixty will maintain a register, detailing all of the corporate actions they receive, whether the vote was delegated (and to whom), the vote of the Trustee if relevant, and the voting decision. Votes may be submitted in one of the following three ways:

<sup>1</sup> Required by s29QB SIS

<sup>2</sup> The requirement to publish within 20 business days is detailed within ASIC's Regulatory Guide RG252 'Keeping Superannuation Websites Up To Date'.

- Vote For;
- Vote Against; or
- Vote Abstain<sup>3</sup>

ThreeSixty will arrange for the summary of proxy voting decisions to be made available to members via the relevant websites each year.

### **3 Resolution of conflict of interests**

In the event of any actual or potential conflicts of interest that may arise in the exercise of proxy voting responsibility, any such conflict will be disclosed to the Trustee, as appropriate. The Trustee will review any conflicts relating to the voting of proxies and take action to avoid or manage any possible conflict of interest in the best interests of the members.

In these instances, the Trustee will make appropriate disclosures to the members in the proxy voting policy published on the relevant websites. Only the non-executive members of the Trustee may vote on the proposals that confer a financial benefit to the Group or on entities controlled by the Group.

<sup>3</sup> Abstain includes the delegation of voting decisions to the Chair of the shareholder meeting