

# Voting Policy

## Why we have this policy

Australian Unity recognises the link between good corporate governance and investment value. Corporate governance deals with the way in which companies are directed and controlled. Voting rights are an important tool by which shareholders can influence corporate governance, and therefore investment value / performance. These comprise an important aspect of share ownership and stewardship of assets on behalf of investors.

The purpose of this Policy is to outline the approach taken by the Portfolio's manager or responsible entity in Voting in regard to Portfolio Holdings.

While this Policy formally applies to the defined Portfolios and Holdings, this does not preclude other Australian Unity entities from acting in a manner consistent with this Policy with regard to assets under their stewardship.

## Who it applies to

This Policy applies to you if you are an employee of Australian Unity within the Wealth and Capital Markets platform, if you are:

- responsible for investment management on behalf of the Portfolios; or
- responsible for operational functions relating to voting such as management of outsourced service providers for proxy vote lodgment or reporting in relation to the Portfolios.

## Policy detail

### Principles

The guiding principle of this Policy is that Voting and other similar rights should be exercised where practicable in such a way that is cognisant of the interests of investors and undertaken in accordance with the obligations of the responsible entity to them.

Even if the matter is not material, voting is consistent with good practice and FSC Standard No. 13: Proxy Voting Policy.

Voting decisions are made by the Portfolio's manager or responsible entity on a case by case basis by an assessment of the matter at hand and after taking various matters into consideration including the likely effect on the relevant Portfolio's investment performance.

In exercising these rights, the Portfolio's manager or responsible entity will generally take into account the following principles:

- Any votes cast will be cast in a manner considered to be in the interests of Portfolio investors;
- Where a resolution is not consistent with the policies of Australian Unity, it will generally not be supported;
- Votes will generally not be cast in favour of resolutions or actions imposing differential voting rights, share classes or "poison pill" or other anti-takeover provisions which seek to deter appropriate takeover offers;

- A Portfolio’s manager or responsible entity may abstain from voting where a Portfolio is excluded from doing so by the Corporations Act or other laws or in cases of conflicts of interest or duty which cannot be resolved lawfully and appropriately;
- If a resolution is divisive or raises contentious issues, the Portfolio’s manager or responsible entity will be guided by what it considers to be in the interests of investors in determining whether and how to vote. Resolutions falling into this category include:
  - those which in the reasonable opinion of the Portfolio’s manager or responsible entity are inconsistent with or contravene ASX Corporate Governance Principles and Recommendations; and
  - any other issue or resolution which the Portfolio’s manager or responsible entity consider on reasonable grounds to be contentious or divisive having regard to media coverage, industry conventions and relevant laws.

The Portfolio’s manager or responsible entity apply this policy wherever possible in a flexible manner to accommodate the wide variety of circumstances that may arise, with the overarching principle of ensuring investors’ interests are served as much as practicable.

This policy does not apply to IDPS-like schemes. Voting will not be undertaken for portfolios such as investment menus where the underlying investor directly selects a named underlying investment or named investment fund, and the RE or the Society will not review the proxy voting policy of underlying investment managers.

### **Use of Proxy Advisers**

From time to time the Portfolio managers or responsible entities may formally engage proxy advisors or may seek opinions from proxy advisers on certain matters, and may make this research available to appointed investment managers.

### **Investment managers appointed under Investment Management Agreements**

Where responsibility for managing Australian or international listed assets is outsourced to an investment manager appointed under an Investment Management Agreement, the Portfolio’s manager or responsible entity will:

- at the time of the appointment and annually thereafter review the appointed investment manager’s proxy voting policy to ensure that it is generally consistent with this Policy; and
- authorise the appointed investment manager to exercise proxy voting rights in accordance with its stated policy.

Notwithstanding the above, the Portfolio’s manager or responsible entity reserve the right to overrule the appointed investment manager with a specific direction on a proxy vote.

### **Fund of funds**

Where a Portfolio is invested into a scheme managed by an external manager, the Portfolio’s manager or responsible entity will:

- at the time of the appointment and annually thereafter review the appointed investment manager’s proxy voting policy to ensure that it is generally consistent with this Policy.

### **Disclosure**

This Policy and a Proxy Voting Record for managed funds and benefit funds is published on the [Australian Unity website](#). This disclosure is in a form consistent with FSC Standard No. 13: Proxy Voting Policy.

Voting disclosure will not include proxy voting in respect of IDPS-like schemes and Platforms.

Common funds' and discrete mandates' votes will be disclosed to clients in accordance with the respective Investment Management Agreement reporting guidelines.

### **Roles and responsibilities**

Portfolio Management staff are responsible for making voting decisions, exercising voting rights and discharging responsibilities with regard to external investment managers in accordance with this policy.

Wealth and Capital Markets Investments Operations is responsible for ensuring appropriate systems, service providers and associated procedures are in place for voting and vote reporting in accordance with this policy.

### **Policy breaches**

All policy breaches must be notified to Platform Assurance Wealth and Capital Markets, and reported in accordance with the Group Incident Management Policy. There may be consequence management for a breach of this policy. A breach of this policy may also be a breach of the Code of Conduct.

### **Policy exemptions**

Any requests for an exemption to this policy must be submitted for approval to the Policy Administrator who will refer them to the Policy Owner.

### **Legal obligations**

If you believe you have a legal obligation that is inconsistent with this policy you should immediately report the inconsistency to your risk and compliance manager and as a general rule should comply with the higher standard.

### **Where to get help**

Australian Unity employees please contact your platform risk and compliance manager if you have any queries or need assistance.

Investors with queries please contact [Investor Services](#).

## Glossary

Word or term	Description
<b>Holdings</b>	<p>The relevant interests held by the Portfolios are referred to in this Policy as the Holdings. The Policy applies to the following interests held by Portfolios:</p> <ul style="list-style-type: none"><li>• Investments in publicly listed or quoted Australian and International securities held in the Portfolios, where a right to vote exists</li></ul>
<b>Portfolios</b>	<p>The Policy applies to the following categories of products/portfolios:</p> <ul style="list-style-type: none"><li>• Managed schemes for which an Australian Unity Group corporate entity is the manager or responsible entity;</li><li>• Benefit funds for which an Australian Unity Group corporate entity is the manager.</li><li>• Common funds for which an Australian Unity Group corporate entity is the manager; and</li><li>• Discrete mandates for which Australian Unity is the appointed investment manager, where the voting policy has been agreed within the mandate.</li></ul>
<b>Proxy Voting Record</b>	<p>Means the record kept and maintained by Australian Unity as a result of implementing its Voting Policy.</p>
<b>Voting</b>	<p>Means the exercise by the Portfolios, a related body corporate or an authorised agent (including appointed investment managers) of voting rights for and on behalf of Holdings.</p>

## Policy administration

<b>Policy Name</b>	Proxy Voting Policy
<b>Policy Level</b>	Level 2
<b>Approval Body</b>	Group Executive Wealth and Capital Markets under delegation of the Board of Australian Unity Limited in accordance with the Committee and Policy Governance Policy
<b>Date of Approval</b>	15 August 2022
<b>Policy Owner</b>	Chief Investment Officer
<b>Policy Administrator</b>	Head of Responsible Investment and Stewardship
<b>Related policies</b>	n/a
<b>Supporting procedures or guidelines</b>	ASX Corporate Governance Principles and Recommendations FSC Standard No. 13: Proxy Voting Policy FSC Standard No. 23: Principals of internal governance and asset stewardship Responsible Investment Framework
<b>Date of last review</b>	October 2020
<b>Regulator (if applicable)</b>	n/a
<b>Compliance mechanism</b>	Compliance with this policy is monitored using: <ul style="list-style-type: none"> <li>• Control testing</li> </ul>
<b>Classification</b>	Internal and external use