

Proxy Voting Report for the year ending 30 June 2019

Telstra Super Pty Ltd

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Telstra Super's Policy

Telstra Super has a Proxy Voting Policy (the Policy) which guides the lodgement of votes for assets held in listed companies, both in Australia and overseas. The Policy is designed to positively impact the governance standards and ensuring that investee companies focus on long term value creation.

The Policy was reviewed in June 2019 and no revisions were made. A proxy voting decision is to be referred to the Board for determination where the matter is highly significant to Telstra Super. Factors to be considered in making this determination include reputational considerations, subject matter (such as remuneration arrangements, inappropriate director appointments or undesirable corporate actions) and/or materiality in relation to Telstra Super's overall investment interests.

Below we summarise Telstra Super's proxy voting activity for our internally and externally managed equity holdings for the year ending 30 June 2019.

The Telstra Super 2019 Financial Year Statistics

Meetings

During the 2019 financial year, Telstra Super exercised votes in a total of 1,298 meetings (down from 1,326 meetings in 2018). This represents 89% of meetings where Telstra Super was entitled to vote, a slight decrease from 91% in 2018.

There were 166 meetings where Telstra Super did not vote (up from the 127 meetings in 2018). Of these 166 meetings, 21 related to internally managed mandates.

Voting Decisions

A total of 14,856 voting decisions were exercised by Telstra Super during the 2019 financial year (compared to 14,834 in the 2018 financial year). Of these, 13,691 voting decisions (92%) were in favour of the resolution and 1,165 (8%) against the resolution.

92% of voting decisions (93% in 2018) were made in accordance with management recommendations. The highest proportion of voting decisions was associated with director related matters.

In relation to ASX200 meetings, a total of 748 voting proposals were instructed. 676 (90%) voted in accordance with management recommendations and 72 (10%) were against management recommendations.

Remuneration Reports

There were 1,808 voting proposals exercised regarding non-salary compensation / remuneration (up from 1,683 in 2018). 82% were exercised in favour and 18% against. The same ratio voted 'With' (82%) and 'Against' (18%) management recommendations, respectively; slightly down on 2018 (85% in favour and 15% against). In the below graphs, remuneration reports are captured in the category "Non-Salary Comp".

In regard to the ASX200¹, 299 remuneration reports voting decisions were exercised, with 86% exercised in accordance with management recommendations. This has slightly decreased from 2018 (87%).

1. The statistics are based on the companies that made up the ASX 200 as at 1 July 2019. This is due to limitations in the proxy voting system to report on votes as per the index throughout the period.

Director Elections

There were 9,183 voting decisions (up from 8,604 in 2018) exercised in relation to the election of directors. Of these, 94% were exercised for the election and 6% against. 95% of these votes were exercised in accordance with management recommendations.

In regard to the ASX200, 329 voting decisions relating to election of directors were exercised, with 94% exercised in accordance with management recommendations.

Director Remuneration

There were 236 voting decisions (up from 190 in 2018) regarding director remuneration. Of these, 231 (98%) votes were exercised in approval and 5 (2%) against. 98% of votes exercised were in accordance with management recommendations.

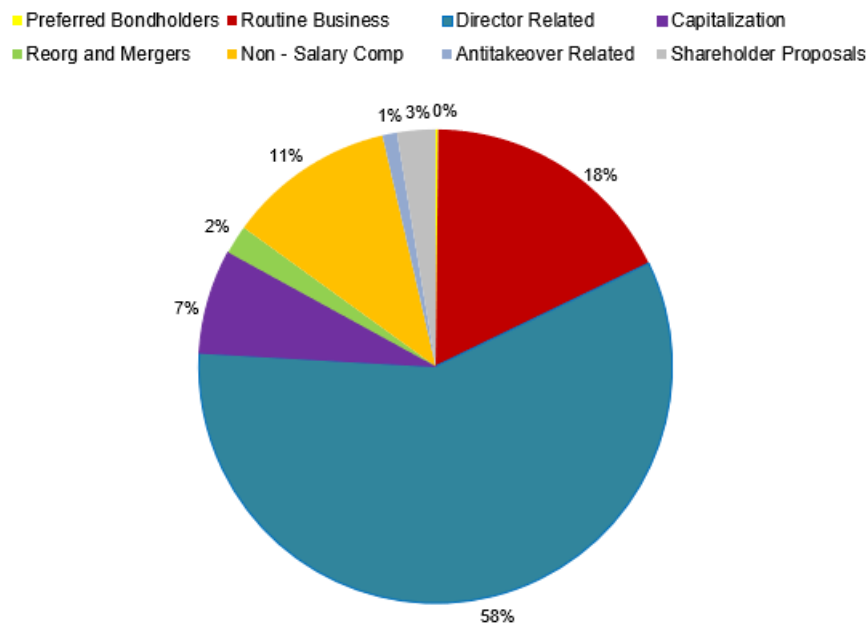
Contentious and Non-Contentious Matters

There were no contentious matters referred to the Board during the 2019 financial year.

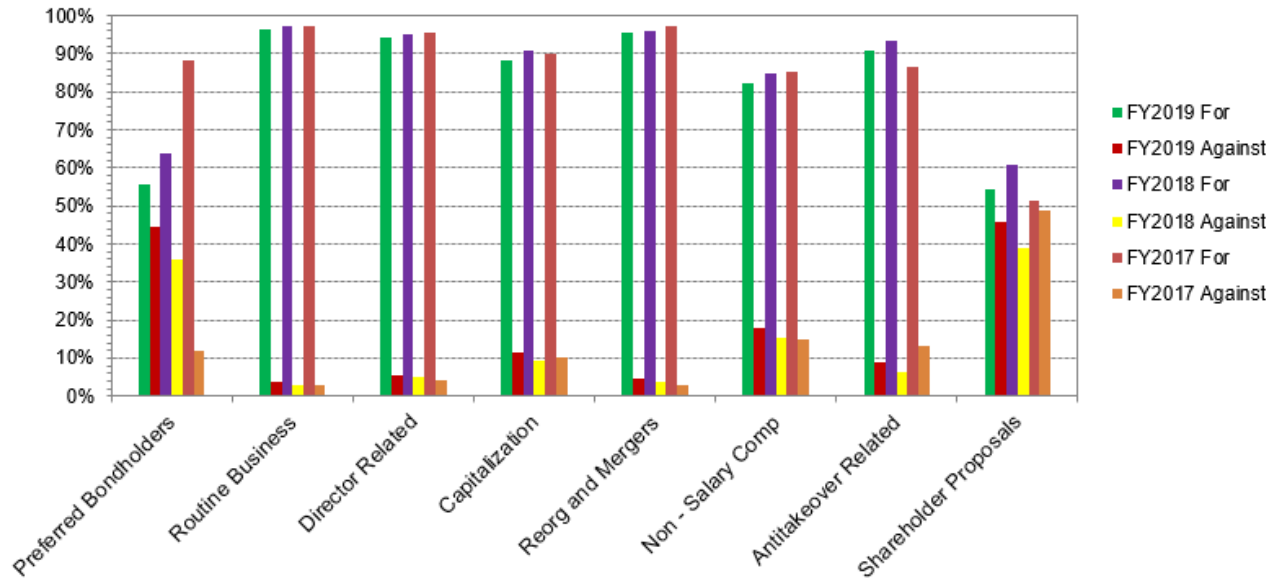
Graphs

The below graphs illustrate the types of resolutions voted and how they were voted.

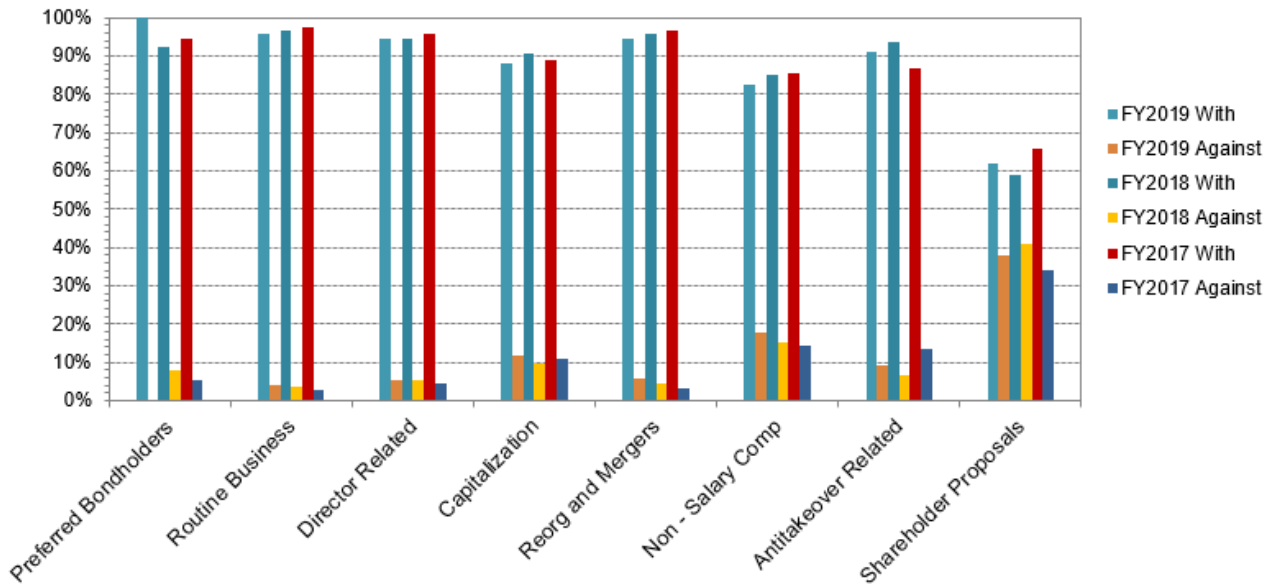
Breakdown of Votes by Category FY2019



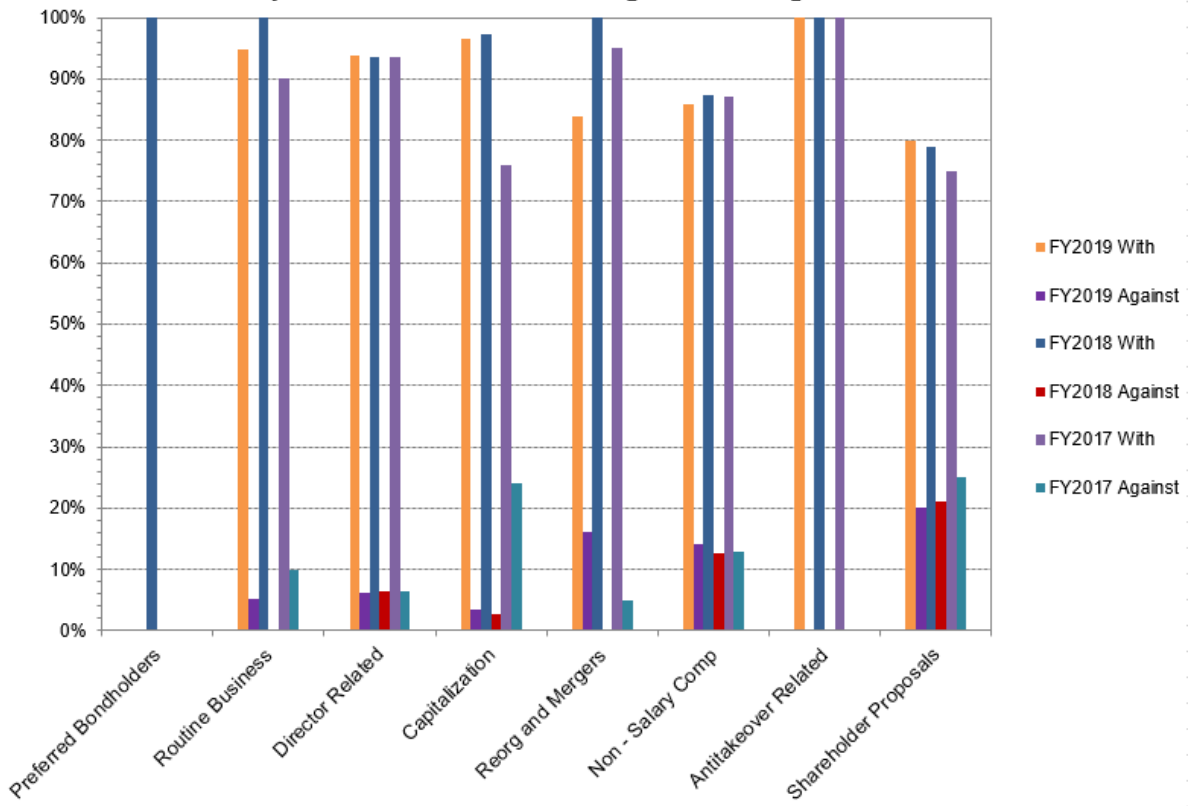
Comparison of Voting by Category



Comparison of Votes With and Against Management



Comparison of Votes With or Against Management - ASX200



Meetings by Country (Top Ten)

