



PRIME SUPER

Proxy Voting Policy

June 2024

VERSION	6
PREPARED BY (TEAM)	Investments
APPROVED BY	CEO
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NEXT REVIEW	November 2026

Version control

ISSUE DATE	VERSION	REVIEWED BY	SUMMARY OF CHANGES
July 2013	1	John Deninger	
October 2016	2	Jane Kang	Biennial review
October 2018	3	Jane Kang	Biennial review
August 2020	4	Jane Kang	Biennial review and review of content by business unit
August 2020	4	Michelle Ward / Wendy Shang	Special Policies Project Review
November 2021	5	Jane Kang	Amendments to incorporate international equities
June 2024	6	John Dyer	Removing thresholds on Remuneration and making wording improvements

TABLE OF CONTENTS

1.	Roles and responsibilities.....	4
2.	Background.....	5
3.	Objective	5
4.	Policy STATEMENT.....	5
5.	Proxy Advice and Research	6
5.1	Investment managers that hold the shares on behalf of Prime Super.....	6
5.2	Research and advice from an independent proxy voting research adviser	6
5.3	Review of Proxy Adviser.....	6
6.	Proxy Voting Application and Process.....	6
6.1	Australian Equities	6
6.2	International Equities	7
7.	Implementation and Compliance.....	7
8.	Review of this policy	7

1. ROLES AND RESPONSIBILITIES

Investment Operations Manager – Prime Super	<ul style="list-style-type: none"> • Responsible for the overall implementation of the policy; • Managing all reporting requirements and alignment with Prime’s Investment Strategy • Holds ultimate responsibility for ensuring voting accords with the Investment Strategy of the fund, along with the Trustee’s duties and statutory obligations.
Proxy Adviser	<ul style="list-style-type: none"> • Responsible for researching and preparing advice papers on voting proposals of Australian listed entities; • Accountable for the underlying system to ensure voting and reporting of votes made.
Investment Managers (service providers)	<ul style="list-style-type: none"> • Responsible for voting on all resolutions of companies owned on behalf of Prime Super and providing rationale for any divergence from ISS voting recommendation, upon request from Prime Super.
Custodian (service provider)	<ul style="list-style-type: none"> • Responsible for submitting Prime Super's voting instructions on resolutions of Australian companies.
Investment Committee	<ul style="list-style-type: none"> • Overview of Policy

2. BACKGROUND

Prime Super Pty Ltd, as trustee for Prime Super, is responsible for the efficient, sound and prudent management of the investments of the Fund.

The Trustee must at all times have an investment governance framework in relation to the management of the Fund's investments, to meet the Trustee's obligations to beneficiaries. This framework must include all Trustee Board policies relating to the Fund's investment activities.

Prime Super considers corporate governance an area that is integral to the investment process.

This Proxy Voting Policy forms part of the investment governance framework and outlines the proxy voting process for the listed equities managed by Prime Super's mandated Australian equity and global equity investment managers.

3. OBJECTIVE

The objective of the Proxy Voting Policy is to assist in ensuring that Prime Super Pty Ltd makes investment voting decisions in line with the Investment Strategy of the fund.

Prime Super has a responsibility to exercise its voting rights in companies in which it holds shares on behalf of its members. Through exercising these voting rights, Prime Super can provide input to a company's board on, executive pay and performance measures in line with the investment beliefs and strategy of Prime Super.

4. POLICY STATEMENT

This policy outlines the proxy voting process in relation to securities which provide Prime Super with voting power. These are typically Australian and international equity investments within Prime Super's segregated portfolios.

For the Australian equity investments, Prime Super submits votes for ASX-listed companies through the proxy adviser portal, which is also linked to Prime Super's custodian.

With respect to Prime Super's international equity investments:

- In cases where the international equities investments are held via pooled funds, Prime Super acknowledges that the investment manager has the legal authority to exercise votes attached to the shares in companies that form part of the applicable fund, and that it is possible for the manager to engage with these companies on corporate governance issues.
- Where the international equity investments are held via separate accounts, the investment manager will be authorised to vote in accordance with the investment manager's proxy voting policy on behalf of Prime Super.

5. PROXY ADVICE AND RESEARCH

For Australian equity investments, Prime Super relies on two sources of advice in the proxy voting decision-making process:

5.1 Investment managers that hold the shares on behalf of Prime Super

An investment management agreement (IMA) is executed by Prime Super with each of its discrete investment managers. Under these agreements, Prime Super enables investment managers to lodge voting intentions, noting this is then subject to the views of the Proxy Adviser and final voting being approved by Prime Super.

5.2 Research and advice from an independent proxy voting research adviser

Prime Super has appointed an independent proxy voting research adviser, ISS, to aid in the comprehensive review and assessment of voting obligations concerning all companies in which Prime Super is invested. ISS provides voting recommendations and research on these companies.

5.3 Review of Proxy Adviser

Prime Super's Investment team meets with ISS half yearly, to discuss any changes to their policies, review those occasions of differences in voting recommendations between ISS and Investment managers and to generally discuss what is evolving in Company Corporate Governance practices.

The ISS Australian Proxy Voting Guidelines and Updates are attached. (Attachment 1)

6. PROXY VOTING APPLICATION AND PROCESS

6.1 Australian Equities

Prime Super will vote on all company resolutions for the Australian equity investments beneficially held by the Fund. These will be voted through a combination of votes cast directly by the Trustee, and votes cast by the investment managers on behalf of Prime Super.

The voting process begins with the Custody Proxy Voting system receiving the voting intention of the Investment Manager. If this aligns with the recommendation of ISS, the vote will be processed via the Custodian.

In cases where the Investment Manager has not logged a voting intention into the system, the system will default to the ISS voting intention.

If there is a discrepancy between the intended voting intention of the Investment Managers and ISS, the Prime Super Investment team is automatically notified of the difference in opinion. In such instances, the Investment team will review the recommendations of both ISS and the Investment Manager relevant to the particular circumstances of the resolution and vote in best alignment with the investment strategy of the Fund.

6.2 International Equities

As outlined in Section 4 of this policy, where Prime Super's international equities are held in pooled funds, Prime Super acknowledges that the investment manager(s) of the pooled fund has the authority to vote on behalf of that fund. However, for any segregated international equity portfolios, the investment manager(s) is authorised to vote on behalf of Prime Super.

The international investment manager is required to provide its proxy voting policy on appointment, and any subsequent amendment to the policy, in addition to a report of how the manager has voted, at least annually.

7. IMPLEMENTATION AND COMPLIANCE

On a bi-annual basis, Prime Super will provide the Board of Trustees the proxy voting reports on the Australian equities. These reports are also available on request.

In addition, Prime Super's proxy voting reports are published on the website bi-annually and within 20 business days after 30 June and 31 December each year.

8. REVIEW OF THIS POLICY

This policy will be reviewed and approved by the Trustee once every two years, although the Trustee may also review this policy at any time for any reason, but in particular, where it becomes aware that:

- this policy is out of date;
- this policy is no longer relevant to the circumstances of Prime Super;
- there are changes to the Trustee's investment strategy or the asset allocation process which impact this policy;
- there are changes to out-sourced service providers, to systems or to arrangements which directly impact upon the proxy voting process.

Prime Super's Investment Operations Manager is responsible for identifying the need for reporting any required changes to the Trustee.