

# Proxy Voting Policy

## **Suncorp Portfolio Services Limited**

ABN 61 063 427 958

AFSL 237905

RSE Licence No. L0002059

Suncorp Master Trust ABN 98 350 952 022

Connelly Temple PST ABN 14 099 548 418

Optimum PST ABN 99 523 621 373

Suncorp Defined Benefit Fund ABN 40 908 534 502

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## Preamble

Superannuation funds are the primary asset holders of Australian equity investments. As the pool of superannuation funds increases, this ownership concentration and influence will only become greater.

Suncorp Portfolio Services Limited's (**SPSL**) is the trustee of the **Suncorp Funds**:

- Suncorp Master Trust (**SMT**);
- Suncorp Defined Benefit Fund (**SDBF**);
- Connelly Temple Pooled Superannuation Trust (**CT PST**); and
- Optimum Pooled Superannuation Trust (**Optimum PST**),

(together, the **Suncorp Funds**).

The voting rights attached to shares, or units held by SPSL, at shareholder/unitholder meetings is important because it can:

- influence outcomes that have a positive impact on investment returns; and
- encourage good corporate governance practices.

This Proxy Voting Policy (**Policy**) outlines SPSL's approach to exercising any right to vote attached to a share or unit that it may hold on behalf of members of the Suncorp Funds.

These guidelines are not intended to operate as a prescriptive set of rules. They have been designed to provide a general framework for members to understand our processes when given the right to vote.

The overriding influence on SPSL's views in this area is its fiduciary duty to act in the best interests of members of the Suncorp Funds. SPSL takes its responsibilities seriously and acknowledges the importance of its right to vote as a shareholder of companies and a unit holder of managed investment schemes.

## 1. Exercise of voting rights

Type of investment	Policy
<p><b>Shares or units forming part of investment options issued by SPSL</b></p> <p>eg Suncorp Lifestage Funds</p>	<p>SPSL will, under normal circumstances, delegate responsibility for voting to the investment manager responsible for managing the assets.</p> <p>However, SPSL retains the right and ability to override the investment manager. In the event that the investment manager receives a direction from SPSL in relation to the appointment of a proxy and the way in which the proxy should vote, the investment manager must use its reasonable endeavours to implement the directive.</p> <p>When delegating the responsibility for voting to investment managers, how investment managers exercise their voting rights is to be monitored and reported on, with reporting to SPSL at least annually.</p> <p>Members of the Suncorp Funds are not entitled to direct SPSL on how to exercise any right to vote attached to shares or units held forming part of the investment option.</p>
<p><b>Shares or units forming part of externally managed investment options</b></p> <p>eg shares held by the Tyndall Australian Share Wholesale Portfolio</p>	<p>The investment manager of an externally managed investment option may or may not exercise any right to vote attached to a share or unit forming part of the investment option.</p> <p>As a unit holder, SPSL does not have any right to vote on shares or units forming part of the investment option.</p> <p>Members of the Suncorp Funds are not entitled to direct SPSL on how to exercise any right to vote attached to externally managed investment options.</p>
<p><b>Optimum Professional – direct investments in S&amp;P/ASX 200 shares</b></p> <p><b>(Closed to new members)</b></p>	<p>Members of the Suncorp Funds are entitled to direct SPSL on how to exercise any right to vote attached to a share.</p> <p>If no direction from a member is received, SPSL applies the following:</p> <ul style="list-style-type: none"> <li>• <b>Renounceable rights offerings</b> (Where rights entitlements can often be sold in the market for a nominal amount.)</li> </ul> <p>SPSL’s approach is to allow the rights to lapse. Any book build proceeds will be paid to members when/if received from the Share Registry.</p> <ul style="list-style-type: none"> <li>• <b>Non-renounceable rights</b></li> </ul> <p>SPSL’s approach is to allow the rights to lapse.</p> <ul style="list-style-type: none"> <li>• <b>Elective events with cash and stock options</b></li> </ul> <p>SPSL’s approach is to nominate the cash option which is normally the market default.</p> <ul style="list-style-type: none"> <li>• <b>Elective events with alternative security options</b></li> </ul> <p>SPSL’s approach is to apply the market default. This would maintain consistency across the board with offerings to shareholders for elective Corporate Actions events.</p> <ul style="list-style-type: none"> <li>• <b>Mandatory events/Compulsory Takeovers</b></li> </ul>

	<p>Processed in line with event parameters.</p> <p>Once a Takeover is declared compulsory, SPSL will automatically accept the offer.</p>
<p><b>Units in externally managed investment options</b></p> <p>eg Tyndall Australian Share Wholesale Portfolio</p>	<p>SPSL will consider any resolutions put forward by a Responsible Entity of an investment option to unit holders and take appropriate action that it believes to be in the best interest of members of the Suncorp Funds.</p> <p>Members of the Suncorp Funds are not entitled to direct SPSL on how to exercise any right to vote attached to externally managed investment options.</p>

## 2. Review and disclosure of the proxy voting policy

SPSL will review this policy on an annual basis. If any material changes are required to be made then an ad hoc review will be carried out.

The proxy voting policy will be published on the relevant websites from 1 July 2014 and will be updated within 10 business days of SPSL's approval of any changes.

## 3. Publication of proxy voting record

SPSL will publish a summary of its proxy voting record after the end of each financial year. This information will be made available to members on the relevant website.