

NULIS Proxy Voting Policy (approved 21 August, 2023)

NULIS Nominees (Australia) Limited (**'the Trustee'**) represents members through Proxy Voting in matters of corporate governance and Responsible Investment.

Decisions on proxy voting are made considering the best financial interests of members. The decisions on proxy voting are therefore made with the aim of protecting and enhancing the investment outcome for members and recognising the strong link between good corporate governance and investment value.

The Financial Services Council (**'FSC'**) Standard No. 13 'Proxy Voting' is applied to Proxy Voting, where relevant. Some of the key requirements to comply with the standard include:

- Maintain the proxy voting policy and make it available to members on the website;
- 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.

The way member assets are held is also a relevant consideration for the Trustee in determining its ability to vote.

Directly Managed Investment Options

The assets (where proxy voting is a requirement) of directly managed investment options are held in unregistered or registered trust vehicles where MLC Investments Limited (**'MLCI'**) is the Responsible Entity. Under this investment arrangement, the Trustee is a unitholder in MLCI trusts with the proxy voting responsibility residing with MLCI. The Trustee is aware that MLCI has its own proxy voting policy - MLC Wealth Proxy Voting Policy and Principles (**'MLC Wealth Policy'**). The MLC Wealth Policy applies the FSC Standard and Guidelines on proxy voting, where they are applicable. The MLC Wealth Policy also specifies that voting decisions must be made in the best financial interests of investors.

In investing assets through the MLCI trusts, the Trustee accepts the application of the MLC Wealth Policy for its directly managed investment options and as such understands the limitation it imposes on the Trustee's ability to vote in accordance with its views generally or as it relates to responsible investing.

If directly managed investment options were to hold equity assets directly, MSL will recommend and the Trustee will approve an appropriate proxy voting arrangement to be put in place to enable the Trustee to fulfil its proxy voting requirements.

Externally Managed Investment Options

Where member assets (and proxy voting is a requirement) are invested via Externally Managed Investment Options, the Responsible Entity of each external trust will apply its own proxy voting policy. As a unitholder under this investment arrangement, the Trustee accepts the application of proxy voting rights for their members being exercised by the Responsible Entity of the trust in accordance with their own respective proxy voting policy.

In some cases, an Externally Managed Investment Option will trigger a unitholder vote, applicable to the NULIS holdings in the relevant Externally Managed Investment Option. In this case resolutions assessed as contentious and material are referred to the Investment Committee for consideration and approval in relation to how the unitholder vote should be exercised.

The materiality threshold is set at 0.5% of the units held in the option against the relevant total units and whether a resolution is contentious is assessed by the Trustee's Investment Adviser, taking into account a variety of factors, including external events, media etc, noting that the Trustee's external Proxy Adviser does not provide a view on unitholder votes.

In the event that the Investment Committee resolves to vote differently in relation to the same resolution, this will be escalated for a decision by the NULIS Board.

The expectation of the Trustee is that wherever possible the governance processes in place will enable material and contentious unitholder votes to be circulated to the Investment Committee for a decision, however where time constraints do not permit this, the decision will be delegated to the Chair of the Investment Committee.

ASX Listed Securities ('Direct Shares')

The proxy voting for Direct Shares only applies to ASX listed Direct Shares, as the Trustee does not currently offer international direct shares to members on its RSE investment menus. Resolutions for all ASX listed direct shares will be assessed and voted on (unless it has a good reason for abstaining) in respect of direct holdings beneficially owned by the Trustee. The decision to vote on all ASX listed direct shares represents a serious commitment to encourage these companies to be accountable for their actions and to uphold good corporate governance.

For direct shares, this applies to:

- The MLC Super Fund ('MLCSF') (the Master Trust) and;
- The MLC Superannuation Fund, MLC Pooled Superannuation Trust, Premium Choice Retirement Service and DPM Retirement Service (the Wrap Funds).

Resolutions assessed as uncontentious, or contentious and immaterial for Australian Listed Equity:

- ASX top 300 listed securities, are voted in line with the Trustee's chosen Proxy Adviser;
- All other ASX listed securities, are voted in line with the public listed companies management.

Resolutions assessed as contentious and material are referred to the Investment Committee for consideration and approval in relation to how the vote should be exercised. The materiality threshold is set at 0.5% by market value of the direct share against the relevant market capital and whether a resolution is contentious is assessed by an independent investment consultant for the Trustee, taking into account a variety of factors, including external events, media etc where the Proxy Adviser is recommending a vote "against" a particular resolution.

Contentious and material resolutions can range from resolutions on the granting of executive options without adequate performance hurdles to resolutions that may adversely affect the rights of existing shareholders.

The relevant investment committee also takes into consideration best practice standards of corporate governance when considering their voting decision and reviews its voting processes on an ongoing basis.

The expectation of the Trustee is that wherever possible the governance processes will enable material and contentious votes to be circulated to the Investment Committee for a decision, however where time constraints do not permit this, the decision will be delegated to the Chair of the Investment Committee.

To avoid conflicts of interest, the Trustee will abstain from voting on any matters that relate to Insignia Financial Limited, its subsidiaries or any other entity that Insignia controls.

In the event of any other actual or potential conflicts of interest that may arise in exercising proxy voting responsibilities, these conflicts 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 as deemed to be in the best financial interests of members.

In these instances, the Trustee will make appropriate disclosures to the members in the proxy voting policy published on the relevant websites.