

# share voting report

## Australian Equities Portfolio 1 July 2016 – 31 December 2016

### Introduction

In accordance with our Active Ownership Policy, we seek to vote on all resolutions put forward at the meetings of companies held in our Australian equities portfolio on behalf of our members.

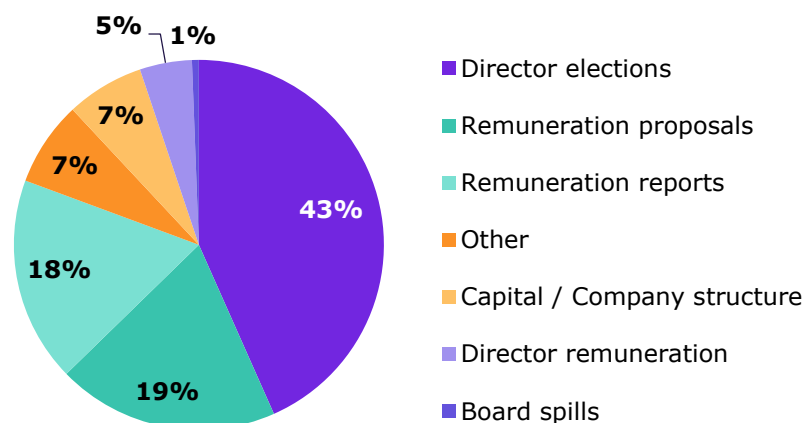
In general, we vote in line with best practice guidelines including Australian Council of Superannuation Investors (ACSI) Governance Guidelines, which seek to ensure that the Board of Directors of listed companies is accountable to and operates in the best interests of shareholders. Where we believe there is a potential conflict between the interests of the Board and our interests as a shareholder we will consult with our proxy voting adviser(s) and the equities manager(s) investing in the company to assist us to determine the most appropriate way to vote.

This report provides a summary of how we voted on all resolutions put forward at all meetings of companies in our Australian equities portfolio for the six months to 31 December 2016. A detailed report outlining how we voted on every resolution is available on the HESTA website at

<https://www.hesta.com.au/about-us/what-we-stand-for/responsible-investment/active-ownership.html>.

### Summary voting statistics

During the reporting period we voted on 1,338 resolutions at 263 company meetings. Of total resolutions, 43 per cent related to director elections, 19 per cent remuneration proposals, 18 per cent remuneration reports, 7 per cent capital or company structures. 'Other' includes resolutions on amending a company's constitution, appointing auditors and other administrative matters.

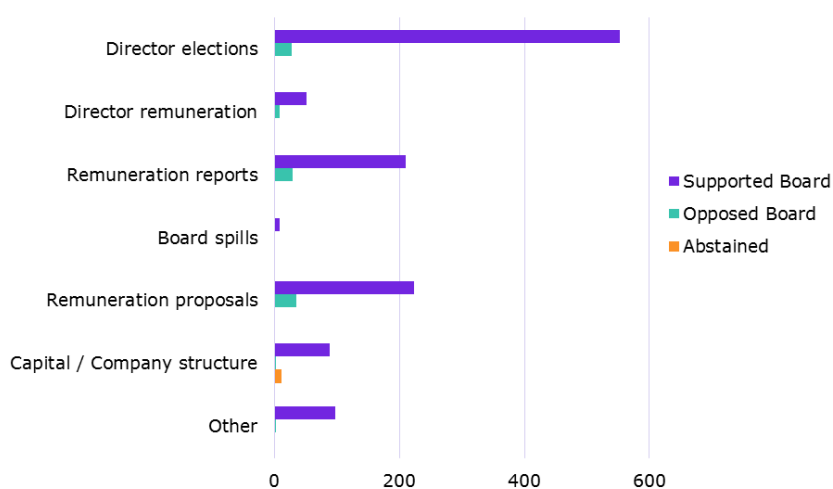


## How HESTA Voted

This table and the chart below show how HESTA voted broken down by the categories of resolutions.

	Total		Supported Board		Opposed Board		Abstained / Not Eligible	
	Count	%	Count	%	Count	%	Count	%
Director elections	580	43%	552	95%	28	5%	0	0%
Director remuneration	61	5%	52	85%	9	15%	0	0%
Remuneration reports	240	18%	210	88%	30	12%	0	0%
Board spills	8	1%	8	100%	0	0%	0	0%
Remuneration proposals	259	19%	223	86%	36	14%	0	0%
Capital / Company structure	91	7%	88	97%	3	3%	11	11%
Other	99	7%	97	98%	2	2%	0	0%
<b>Total</b>	<b>1,338</b>		<b>1,230</b>	<b>92%</b>	<b>108</b>	<b>8%</b>	<b>11</b>	<b>&lt;1%</b>

Note: Total does not include resolutions where we abstained / were not eligible to vote (n=11). Analysis excludes one resolution where a split vote was recorded.



## Votes where HESTA opposed the Company Board

HESTA voted in opposition to companies' boards on 8 per cent of the total resolutions. This compares to 10 per cent for the same period last year. This chart shows the breakdown of the resolutions voted in opposition to the Company Board for the two periods.

