

Share voting report

Australian Equities Portfolio 1 July 2019 – 31 December 2019

Introduction

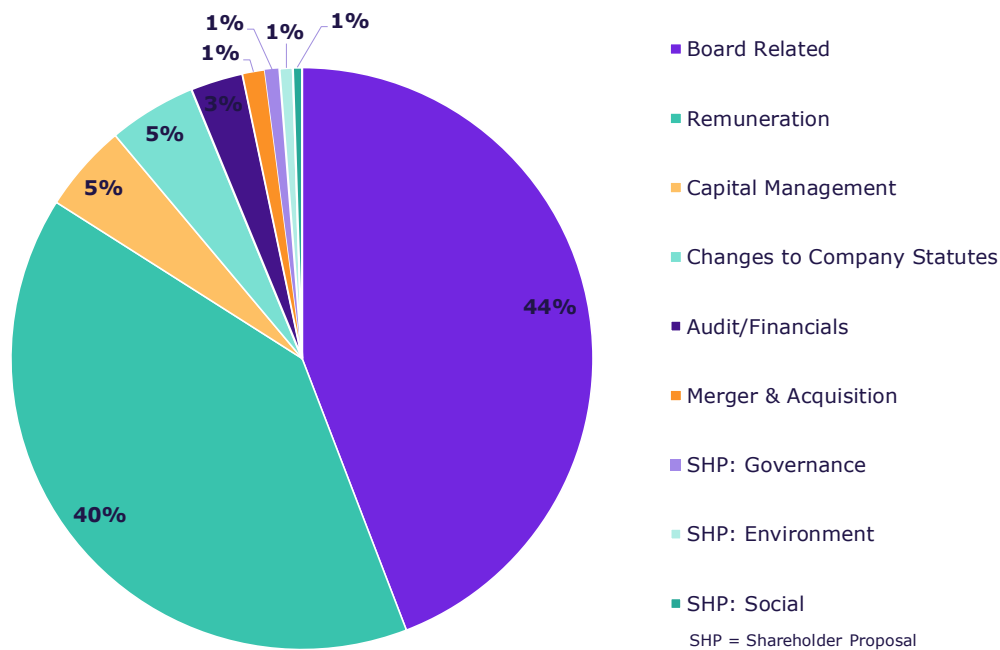
In accordance with our Active Ownership Policy, we seek to vote on all resolutions put forward at the meetings of companies held in our Australian equities portfolio on behalf of our members.

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 2019. A detailed report outlining how we voted on every resolution is available on our [website](#)¹.

Summary voting statistics

During the reporting period we voted on 1370 resolutions at 260 company meetings. Of total resolutions, 44 per cent related to the Board (incl. director elections) while 40 per cent related to remuneration proposals.



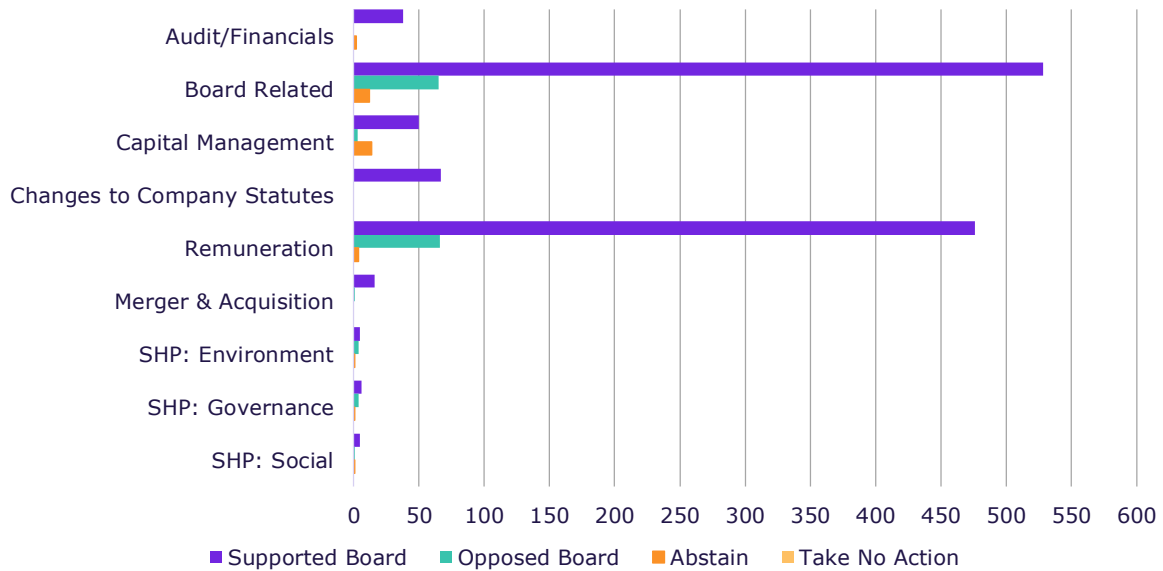
¹ <https://www.hesta.com.au/about-us/what-we-stand-for/responsible-investment/active-ownership.html>

How HESTA Voted

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

	Supported Board		Opposed Board		Take No Action		Abstain		Total	
Audit/Financials	38	95%	0	0%	0	0%	2	5%	40	3%
Board Related	528	87%	65	11%	0	0%	12	2%	605	44%
Capital Management	50	75%	3	4%	0	0%	14	21%	67	5%
Changes to Company Statutes	67	100%	0	0%	0	0%	0	0%	67	5%
Remuneration	476	87%	66	12%	0	0%	4	1%	546	40%
Merger & Acquisition	16	94%	1	6%	0	0%	0	0%	17	1%
Meeting Administration	0	0%	0	0%	0	0%	0	0%	0	0%
Other	0	0%	0	0%	0	0%	0	0%	0	0%
SHP: Environment	5	50%	4	40%	0	0%	1	10%	10	1%
SHP: Governance	6	55%	4	36%	0	0%	1	9%	11	1%
SHP: Social	5	0%	1	0%	0	0%	1	0%	7	1%
Totals	1191	87%	144	11%	0	0%	35	3%	1370	100%

SHP - Shareholder Proposal



We seek to vote 'for' or 'against' all resolutions on the meeting agenda in order to send a clear signal to the company. However, we occasionally 'abstain' from voting on a particular resolution as part of our engagement process.

Votes where HESTA opposed the Company Board

HESTA voted in opposition to companies' Boards on 11 per cent of the total resolutions. The total compares to 14 per cent for the same period last year. The following chart shows the breakdown of the resolutions voted in opposition to the Company Board.

