

Proxy voting policy

1. Background

- 1.1 This proxy voting policy (**the Policy**) sets out how Legal Super Pty Ltd (**the Trustee**) manages proxy voting in respect of the publicly listed shares in which it invests.

2. Principles

- 2.1 The broad principles underpinning the Policy include the following:
- a) the right to vote is an integral part of a well-functioning corporate governance system;
 - b) proxy voting rights are a valuable entitlement and should be diligently and prudently managed;
 - c) where the Trustee has a right to a proxy vote, such rights should be exercised in the best interests of the beneficiaries of legalsuper; and
 - d) the Trustee may abstain from exercising a proxy voting right where it considers it appropriate to do so for governance reasons or as this is in the best interests of the beneficiaries of legalsuper.

3. Proxy voting in respect of external discrete mandates

- 3.1 Where discrete investment mandates are established, the Trustee will authorise the investment manager to exercise voting rights on behalf of the Trustee.
- 3.2 The Trustee reserves the right to override the investment manager's vote where it considers it to be in the best interests of the beneficiaries of legalsuper.

4. Proxy voting in respect of external pooled investment funds

- 4.1 Most of legalsuper's investments are invested by way of external pooled investment funds. In these instances, the manager of the pooled investment fund is responsible for proxy voting.
- 4.2 The Trustee may inform a manager of a pooled investment fund of its views in relation to a proxy vote, but cannot override a manager's decision as to how to vote.

5. Policy review

- 5.1 The Policy will be reviewed at least once every three years.

Version control:

This is version 1 of the Proxy voting policy.

It was approved by the Board on 16 June 2017.