

Proxy Voting Policy

Introduction

To be effective investment stewards of our client's investments and contribute to shareholder value, we believe it is our responsibility to exercise ownership rights on behalf of our clients and members.

AMP has significant exposure to listed investments on the Australian Securities Exchange (ASX) and in international listed markets, and in various unlisted managed investment schemes and trusts through its investment activities. Exercising the voting rights attached to shares held in public companies is something we regard as being a key pillar to our active ownership approach. Voting is an important tool for engaging with companies and an effective way for AMP and other investors to communicate views, both in support of what a company is doing right, and to signal where we believe a company needs to improve. Voting enables us to support strong corporate governance structures, shareholder protection, transparency and disclosure, and encourage corporate action on material environmental, social and governance (ESG) issues, including climate-impact.

Purpose and scope

This document sets out the principles and procedures that we use to manage the proxy voting process for National Mutual Funds Management (NFMF) and ipac asset management (IAM).

This Policy forms part of a suite of policies and frameworks beginning with AMP's Responsible Investment and ESG Statement that outlines our approach to ESG integration and ethical principles, choice of sustainability themed investments, engagement and active ownership, advocacy and collaboration, reporting and disclosure.

You can read more about our Responsible Investment and ESG statement on our website amp.com.au/investments-esg

Principles

As a universal investor and large owner of companies and assets, on behalf of our members, we have a stake in the effective operation and sustainability of the broader economy, the integrity and transparency of markets, and good governance and business conduct. As an asset owner, AMP believes that it has an obligation to ensure that the companies and other assets it invests in are governed and managed in a way that will support performance over the longer term, and thereby produce the best financial outcome for investors. For this reason, we are interested in the governance and more broadly, the ESG practices of the companies and assets in which we invest, and seek to influence on their governance, policies and practices through voting and engagement activities.

Our diverse business, broad geographical coverage and variation in investment styles requires a flexible approach to how we engage underlying managers. We use a combination of specialist investment managers operating under a separate investment mandate, or in pooled investments or unitised vehicles.

Investment managers are expected to endeavour to lodge a proxy vote for every resolution (this may include voting for, against or abstaining).

Where AMP has appointed an external investment manager under a separate investment mandate, we will require the manager to have in place their own proxy voting/corporate governance policy and authorise them to exercise voting rights attached to any securities forming part of the portfolio. Investment managers are required to inform us of any changes to their proxy voting policy and must provide regular (at least annual) reporting on their performance with regard to their policy. Where AMP does not have exclusive control of managed funds, for example where we invest in externally managed pooled vehicles without a separate investment mandate, we cannot directly influence the external manager(s) to uphold our Policy. We may continue to invest in such pooled funds, unit trusts or exchange traded funds and the policies of that fund will apply.

AMP supports diversification and choice through the selection of investment managers who have different investment styles and philosophies. We acknowledge that this may lead to occasions when managers have differing views regarding the exercise of votes. AMP reserves its right to override the recommendations put forward by either proxy voting advisers and/or its investment managers operating under a discrete mandate. If a manager receives a direction from AMP in relation to the appointment of a proxy and the way in which the proxy should vote, the manager must use its best endeavours to implement the direction.

Principles informing how voting rights should be exercised include:

- **Acting in the best interests of clients:** voting rights should be exercised, and proxy instructions should be lodged in a way designed to ensure that proxies are voted in the best interests of members and investors.
- **Promoting strong corporate governance and remuneration structures:** voting rights should be exercised in a way that contributes to sustainable, long-term shareholder value creation. This includes ensuring appropriate board composition and effective operation, encouraging performance-based remuneration practices and fair quantum pay outcomes.
- **Promoting shareholder protection:** voting rights should be exercised in a way that ensures that companies are well governed and company constitutions protect the rights of shareholders.
- **Encouraging transparency:** voting rights should be exercised in a way that promotes clear disclosure. This includes requiring transparency around board membership, remuneration practices, diversity progress, and other social and environmental factors, including climate change which could impact shareholder value.
- **Managing material ESG risks:** companies are expected to appropriately manage and disclose material ESG risks, including climate-related and human rights risks. Where companies fail to do this the voting mechanism may be used to encourage greater focus on ESG issues.
- **Managing conflicts:** Where an AMP entity or its employees exercise their right to direct a vote decision (as opposed to when an external manager exercises a vote at its own discretion), we will not vote where AMP has been excluded from doing so by the Corporations Act, or other laws, or in cases of conflicts of interest or duty which cannot be resolved lawfully or appropriately.

While it is AMP's intention that all shares be voted, there will be instances where we refrain from voting as the expected costs of voting exceeds the expected benefits of voting. Our managers will take into account, among other things, if our vote will make a material difference in the voting outcome, what percentage of free float shares we own and whether the issues presented in the resolutions are contentious. AMP may not exercise certain voting rights in countries having a 'share blocking' policy or where voting may only be carried out in person, requiring a Power of Attorney arrangement.

If, at any time AMP participates in a securities lending program for company shares held in its Australian or international portfolios, AMP will generally recall all Australian shares from third parties to enable voting of company resolutions. In some circumstances, international shares may not be able to be recalled in time for voting. We may choose to recall international shares if AMP has determined that the benefits are likely to outweigh the costs or where we have a material investment in a company.

ESG and proxy voting advisers

AMP or its investment managers consider advice from ESG or proxy voting advisers in assisting how to vote, including Ownership Matters and Glass Lewis Pty Limited. Our voting decisions and the voting decisions taken by our managers are

made on a case-by-case basis by an assessment of the range of issues and facts specific to the corporation and the individual ballot item, and after taking into consideration the likely effect on the performance of the portfolio. AMP recognises that there are differences in corporate governance rules and expectations in different jurisdictions and will incorporate these considerations as we see appropriate, while still aiming to protect shareholder value.

Disclosure

As per FSC requirements, a voting record is made publicly available on our website within three months of the end of each calendar year.

Document Owner: Anna Shelley, Chief Investment Officer

This document is consistent with the Financial Services Council's Standard 13 (Voting Policy, Voting Record and Disclosure) and was approved by IAM and NMFM on 10 November 2021. This policy will be reviewed biennially. Monitoring compliance with the policy is delegated to the Investment Committee.

Definitions and References

ESG

At AMP, ESG encompasses a broad range of issues that may of themselves, or in combination, have a material impact on the risk/return characteristics of investments. These issues may be driven by existing or future regulations, reflect issues of significant societal concern, or pose potential operational, financial, strategic, reputational or systemic risks.

Environmental: Climate change, natural resource use and degradation (eg water scarcity), waste, pollution, greenhouse gas emissions, clean technology products and services, environmental management practices.

Social: Human capital, diversity and inclusion, workplace health and safety, labour relations and standards, human rights, modern slavery, demographic changes, supply-chain and community impacts.

Governance: Board composition, independence, diversity, executive remuneration and incentive plans, corporate accountability structures, compliance, negligence, bribery and corruption, conflicts of interest and related-party transactions, shareholder rights, accounting and audit quality.

Investment Stewardship, engagement and active ownership

For AMP, Investment Stewardship refers to the engagement activities with companies, markets, and economies; and, in turn, society and the environment that is consistent with long-term value creation.

AMP recognises our responsibility to influence the Boards and management teams of investee companies and assets where improvements in ESG factors may contribute to business and investment performance outcomes. Lodging proxy votes at meetings where we have the authority and where it is practicable to do so with all issues of corporate governance given due consideration is one means of effecting our views.

References and other relevant Policies

1. FSC Standard No 13: Proxy Voting Policy (issued 26 March 2013, updated 2020)

The main purposes of Standard 13 Voting Policy, Voting Record and Disclosure are:

- in relation to Australian investments (and international investments effective from 1 July 2021 with a one-year transition period, two years for multi-manager investment structures), to require the formulation of an Operator's voting policy (including proxy voting) for each Scheme it operates; and
- to require disclosure of the above matters and details of the exercise of such voting rights by the Operator (on an 'entity and resolution level' basis) in respect of each financial year for each Scheme it operates.

('Scheme' is defined in FSC Guidance Note 5 Industry Terms and Definitions, and includes REs of registered schemes and RSE licensees of superannuation funds.)

2. ASX Corporate Governance Principles and Recommendations (Fourth Edition)

The current version of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (Fourth Edition) was released on 27 February 2019 and takes effect for a listed entity's first full financial year commencing on or after 1 January 2020.

3. FSC Standard 23: Principles of Internal Governance and Asset Stewardship

This Standard has been drafted to provide guidance to FSC Members who undertake the role of Asset Managers in setting and achieving best practice in fulfilling their fiduciary responsibility as custodians of one of the largest pools of managed funds in the world.

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