

## SUPERANNUATION VOTING TRANSPARENCY REPORT

### 1. Name of asset owner/ fund manager & fund name chosen to assist with queries below:

ACT Government Super Provision Account (SPA)

### 2. Brief Description of Asset Owner:

Portfolio held by ACT government to assist with management of its defined benefit staff super obligations.

3. **FUM:** \$3.7b as at 30<sup>th</sup> June 2017.

URL:

[http://www.cmd.act.gov.au/data/assets/pdf\\_file/0012/1113006/Volume-2.2-CMTEDD-Annual-Report-2016-17-2.pdf](http://www.cmd.act.gov.au/data/assets/pdf_file/0012/1113006/Volume-2.2-CMTEDD-Annual-Report-2016-17-2.pdf)

### 4. Memberships

Association	Membership
UNPRI	Yes
FSC	No
RIAA	No
ACSI	No

### 5. Do they publicly disclose a clear policy on how ESG issues are incorporated in all of their equity investment activities (i.e not just for SRI funds?) and do they screen any particular industry?

The SPA has an Investment Plan which sets out 13 investment 'beliefs' including 5 related to ESG issues. It also has a Responsible Investment Policy which provides a more detailed statement of the fund's interest in ESG issues. There is little discussion into particular G issues or their incorporation into investment management. In regard E & S issues the policy sets out the use of norms based investment criteria. The fund uses the 10 principles of the UN Global Compact. The policy sets out issues on which it bases its ESG assessment.

It screens out tobacco, landmines and cluster munitions (pg.7 Responsible Investment Policy).

The Policy refers to Sustainability Proxy Voting Guidelines used by its proxy advisor – ISS. ISS has a set of guidelines with an extensive description of its attitude to Governance issues for both the US and for international issuers - but the focus of the 2<sup>nd</sup> document is on Europe and Canada.

URL: Responsible investment Policy

[https://apps.treasury.act.gov.au/data/assets/pdf\\_file/0004/491566/ResponsibleInvestmentPolicy-November-2015.pdf](https://apps.treasury.act.gov.au/data/assets/pdf_file/0004/491566/ResponsibleInvestmentPolicy-November-2015.pdf)

Investment Plan

[https://apps.treasury.act.gov.au/data/assets/pdf\\_file/0013/1126012/Investment-Plan-November-2017.pdf](https://apps.treasury.act.gov.au/data/assets/pdf_file/0013/1126012/Investment-Plan-November-2017.pdf)

<https://www.issgovernance.com/file/policy/active/specialty/Sustainability-International-Voting-Guidelines.pdf>

Score (2.5 out of 3) Rationale - though the SPA has little reference to G issues itself, it effectively incorporates by reference ISS material though this is focused on the US, Europe and Canada not Australia.

#### 6. Do they publicly disclose their voting record for either or both their ASX and international holdings?

The Proxy Voting Records released by ACT Government for the SPA are in two forms, one is a pdf version that holds summary statistics and the other is in a database form holding all company names, proposal descriptions and vote responses going back to July 2016.

URL: <https://apps.treasury.act.gov.au/publications>

Score (3 out of 5)

#### 7. DOMESTIC VOTING

July to December 2017 ASX						
	Theme of Proposal	For	Against	Abstain	Not Holding	Score
<b>BHP Billiton</b>	Amendment of Constitution Item no.22				X	0
	Climate Change Item no.23				X	0
<b>Woolworths Group Limited</b>	Amendment of Constitution item no.7a		X			-1
	Human Rights Item no.7b		X			-1
<b>URL: (Max score 4)Total</b>						<b>-2</b>

January to June 2017 ASX						
	Theme of Proposal	For	Against	Abstain	Not Holding	Score

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IS CORRECT AS AT: 01/05/2018



AUSTRALASIAN  
CENTRE FOR  
CORPORATE  
RESPONSIBILITY

<b>Oil Search</b>	Climate Change item no.7	X				1
	Human rights	X				1
<b>Santos</b>	Amendment of Constitution item no.5a.		X			-1
	Climate Change item no.5b. (Strategic Resilience for 2035 and Beyond )		X			-1
<b>URL: (Max score 4)Total</b>						<b>-4</b>

## 8. INTERNATIONAL VOTING

International 2017 Resolutions						
	Theme of Proposal	For	Against	Abstain	Not Holding	Score
<b>The AES Corporation</b>	Climate Change				X	0
<b>Ameren</b> (item 6.)	Climate Change				X	0
<b>Dominion</b> (item 8.)	Climate Change	X				1
<b>DTE</b> (item 5.)	Climate Change	X				1
<b>Duke Energy Company</b> (item 7.)	Climate Change	X				1
<b>FirstEnergy</b> (item 10.)	Climate Change				X	0
<b>PNM</b>	Climate Change				X	0
<b>PPL</b> (item 6.)	Climate Change				X	0
<b>The Southern Company</b> (item 6.)	Climate Change				X	0
<b>AT&amp;T</b> (item 5)	Political Expenditure	X				1
<b>Alphabet Inc</b> (item 8)	Political Expenditure	X				1
<b>Wells Fargo</b> (item 5)	Consumer Rights (Retail Banking Sales Practices Report)	X				1
<b>UK Royal Dutch Shell</b> (item 21)	Climate Change (GHG Reduction Targets)				X	0
<b>UK Sports Direct</b> (item 19)	Human Capital Management (2016)				X	0
<b>(Max score 14) Total</b>						<b>6</b>

## 9. LAGGING

INTERNATIONAL AND DOMESTIC RECORDS			
	Yes	No	Score
<b>2017 Records available within 2 months of 2017 financial/calendar year end</b>	X		2
<b>Records available for current year to date, no more than two months ago available</b>	X		2
<b>June 2016 Records are available</b>		X	0
<b>(Max score 6) Total</b>			<b>4</b>

## 10. Proxy Advisor used:

ISS

## 11. Since June 2015 has the Fund lead filed or co-filed any ESG related shareholder resolutions at ASX 100 listed companies?

Not to the knowledge of the ACCR

## 12. Prose

ACT Government SPA has a general Responsible Policy disclosing its ESG policy principles based on the UN Global Compact. It mentions the Fund's screening of cluster munitions, tobacco and landmines and recognises the fact that the performance of investments can be impacted by ESG issues in the long term.<sup>1</sup> Neither the Responsible Investment Policy nor the Investment Plan provide much detail by way of specifics of the ACT's attitude to particular ESG issues.

The proxy voting results of ACT Government Super provide substantial records from July 2016 onwards which are listed by company name, proposal description and voting action for both domestic and international markets.

During the year 2017, in the domestic market the Fund was able to vote on two climate change related shareholder proposals; it supported one of two. During the same time period and market the Fund had the chance to vote on two human rights and two governance related proposals. Out of these four the fund supported one human rights resolution. These results apparently reflect the attitudes of its proxy advisor ISS and the ACT's subscription to a "Sustainability policy" advice option from ISS.

<sup>1</sup> (pg.6 Investment Plan).

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Internationally, from the sample above the fund voted in favour of all 3 of the climate change resolutions in the US it had the opportunity to vote on. In addition, it voted in favour of all 3 of the non-climate change resolutions sampled.

Separately to its proxy voting disclosure the SPA also discloses its portfolio holdings of directly held shares in their entirety.

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**NOTES**