

## SUPERANNUATION VOTING TRANSPARENCY REPORT

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

AMP (includes RSEs AMP Superannuation Ltd and N.M.Superannuation Pty Ltd)

**2. Brief Description of Asset Owner:**

Retail Super Fund operated by a for-profit manager.

**3. Funds Under Management:** \$118 billion – as at June 30 2017

URL: <http://www.apra.gov.au/Super/Publications/Pages/superannuation-fund-level-publications.aspx>

**4. Memberships**

Association	Membership
UNPRI	Yes
FSC	Yes
RIAA	Yes
ACSI	No

**5. Do they publically 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 AMP ESG investment website makes clear that it adopts the AMP Capital environmental social governance and responsible investment philosophy and provides a link.<sup>1</sup> The link leading to this philosophy provides little more than a general statement about ESG. However assuming the general policies regarding the philosophy of AMP Capital and AMP can be used to further describe the ESG stance of the fund, a more thorough incorporation of ESG issues can be found.

AMP Capital provides an extensive Corporate Governance report which explains the Funds stances on governance issues very thoroughly. It discusses remuneration in detail, board member independence as well as merger and acquisition related issues.<sup>2</sup> Although this document references social issues and human rights, it does not discuss them in detail.

<sup>1</sup> <https://www.amp.com.au/amp/corporate-sustainability/corporate-responsibility>

<sup>2</sup> 2017 Corporate Governance Review: Proxy Voting & ESG Investment Research pg. 7-11. Note that, unusually, a point has been given for G material in this document although it is headed as a backward-looking review. The document contains frequent policy style assertions 'In AMP Capital's view... '.

The AMP Environmental Policy describes AMP's stance on Environment related ESG issues and investments, this policy is described as being applicable to all businesses owned and operated by the AMP Group, (although its date of creation was 2012).<sup>3</sup>

AMP Capital excludes investment into cluster munitions, anti-personnel mines, chemical and biological weapons. It also excludes companies with known involvement in the production, manufacture or significant distribution and sale of tobacco products.<sup>45</sup>

URL: ESG and Responsible Investment Philosophy (AMP Capital)

[https://www.amp.com.au/content/dam/amp/digitalhub/common/Documents/global/Environment Social Governance and responsible investment philosophy.pdf](https://www.amp.com.au/content/dam/amp/digitalhub/common/Documents/global/Environment%20Social%20Governance%20and%20responsible%20investment%20philosophy.pdf)

Corporate Governance Report: ESG insights & proxy voting 2017

[http://www.ampcapital.com.au/AMPCapitalAU/media/contents/Articles/ESG%20and%20Responsible%20Investment/AMPCI-Corp-Gov-Report-2017-12-\(March-2018\).pdf](http://www.ampcapital.com.au/AMPCapitalAU/media/contents/Articles/ESG%20and%20Responsible%20Investment/AMPCI-Corp-Gov-Report-2017-12-(March-2018).pdf)

AMP Environment Policy

<https://www.amp.com.au/content/dam/amp/digitalhub/common/Documents/global/AMP-Environment-Policy.pdf>

Position on tobacco and weapons

<http://www.ampcapital.com.au/about-us/esg-and-responsible-investment/esg-resources>

<http://www.ampcapital.com.au/AMPCapitalAU/media/contents/Articles/ESG%20and%20Responsible%20Investment/ESG-policy-on-tabacco.pdf>

<http://www.ampcapital.com.au/AMPCapitalAU/media/contents/Articles/ESG%20and%20Responsible%20Investment/amp-capital-real-estate-esg-and-responsible-investment-guidelines.pdf>

AMP on ESG for Capital

<https://www.amp.com.au/amp/corporate-sustainability/corporate-responsibility>

Score (2.5 out of 3) (1 for having a policy, 1 for detailed content on G issues and 0.5 for detailed comment on E issues.)

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<sup>3</sup> AMP Environment Policy 2012 pg.2

<sup>4</sup> AMP Capitals position on Cluster Munitions, Anti-Personnel Landmines, Chemical and Biological Weapons

<sup>5</sup> AMP Capitals position on Tobacco

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

Proxy voting records are disclosed on an annual basis in March for the previous calendar year. Records are available for each fund (e.g. Alpha Fund, Equity Income Fund, etc).

These disclosures are only available for the previous year- although they provide the votes by proposal description and company name.

Furthermore, AMP Capital's 2017 Corporate Governance Report provides explanations for the Funds choice of vote when the Fund votes either in support or abstains Australian shareholder resolutions in 2017. Because of this transparency the Fund has been appointed another half point. <sup>6</sup>

URL:

<http://www.ampcapital.com.au/about-us/esg-and-responsible-investment/corporate-governance>

Corporate Governance Report: ESG insights & proxy voting 2017

[http://www.ampcapital.com.au/AMPCapitalAU/media/contents/Articles/ESG%20and%20Responsible%20Investment/AMPCI-Corp-Gov-Report-2017-12-\(March-2018\).pdf](http://www.ampcapital.com.au/AMPCapitalAU/media/contents/Articles/ESG%20and%20Responsible%20Investment/AMPCI-Corp-Gov-Report-2017-12-(March-2018).pdf)

Score (3.5 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			-1
	Climate Change Item no.23			X		0
<b>Woolworths Group Limited</b>	Amendment of Constitution item no.7a0			X		0
	Human Rights Item no.7b		X			-1
<b>URL: (Max score 4)Total</b>						<b>-2</b>

<sup>6</sup> Corporate Governance Report: ESG insights & proxy voting 2017 pg. 5

January to June 2017 ASX						
	Theme of Proposal	For	Against	Abstain	Not Holding	Score
Oil Search	Climate Change item no.7			X		0
	Human rights		X			-1
Santos	Amendment of Constitution item no.5a.				X	0
	Climate Change item no.5b. (Strategic Resilience for 2035 and Beyond )				X	0
URL: (Max score 4)Total						-1

## 8. LAGGING

DOMESTIC RECORDS			
	Yes	No	Score
2017 Records available within 2 months of 2017 financial/calendar year end	X		1
Records available for current year to date, no more than two months ago available		X	0
June 2016 Records are available		X	0
(Max score 3) Total			1

**9. Proxy Advisor used:**

For ASX listed companies Ownership Matters is used, ISS is used for New Zealand companies and Glass Lewis for international equities. Occasionally further information from ISS and/or CGI Glass Lewis is requested.<sup>7</sup>

**10. 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 ACCR.

**11. Prose:**

The Fund provides evidence to its interests in governance and environmental related ESG investment decisions. The fund has a document entirely committed to environmental policy and a corporate governance related report- however social issues are not extensively addressed.

AMP Capital voting records were used for the reasons addressed above. The records provided apply to 2017 only, furthermore the records are split between a few flagship funds. These records are disclosed by company name, resolution proposal and describe all votes however only Australian Equities are disclosed. It is assumed that ASL voting might be reflected well by the AMP Capital Equity fund and this voting records was used for the scoring above. It is impossible to access the AMP Superannuation Limited voting records alone due to the complexity of the AMP system, ASL's rights to vote on company resolutions have been provided to AMP Life through mandated arrangement.

In the year 2017, AMP Capital Equity did not vote in support of any of the domestic climate change, human rights or governance related resolutions of which it might have. There were six times in total of which it could have supported one of these shareholder proposals- it chose to instead either abstain or vote against. Rationales are provided in the fund's 2017 Corporate Governance Review: Proxy Voting & ESG Investment Research for some resolutions such as Woolworths and Oil Search, however they are not provided for all proposals.

**NOTES**

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<sup>7</sup> In accordance with email sent by fund on the 29<sup>th</sup> June 2018