

SUPERANNUATION VOTING TRANSPARENCY REPORT

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

Qantas Superannuation Plan

2. Brief Description of Asset Owner:

Corporate Super Fund

Funds under management: \$7.8b as at 30 June 2017

URL: <https://www.apra.gov.au/publications/annual-fund-level-superannuation-statistics>

3. Memberships

Association	Membership
UNPRI	No
FSC	No
RIAA	No
ACSI	Yes

4. 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?

Qantas Super includes reference to ESG in its key investment beliefs: “We believe that environmental, social and governance (ESG) factors can impact investment risks, returns and reputation. We exercise your active share ownership rights and constructively engage with company boards about material ESG issues.” Though the fund does provide an extensive explanation of its investments in renewable energy, it fails to explain how ESG factors are incorporated into the investment process. Furthermore, the fund provides no explanation of its approach to either social or governance issues.

In the absence of a formal policy, and addressing just one aspect of ESG factors, the fund scores 0.5 point.

URL:

<https://www.qantassuper.com.au/investments/looking-after-your-super/>
<https://www.qantassuper.com.au/investments/renewable/>

Score (0.5 out of 3)

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

Both Domestic and international voting records are disclosed annually with approximately 1 month of lag from the financial year end. All votes are fully disclosed with company name, meeting date and proposal. However, no rationales provided for specific votes or in regard to the attitude towards contentious issues.

URL:

<https://www.qantassuper.com.au/about-us/corporate-governance/>

Score (3 out of 5)

6. DOMESTIC VOTING

January to June 2017 ASX						
	Theme of Proposal	For	Against	Abstain	Not Holding	Score
Oil Search	Climate Change item no.7		X			
	Human rights Item no.8		X			
Santos	Amendment of Constitution item no.5a.		X			
	Climate Change item no.5b. (Strategic Resilience for 2035 and Beyond)		X			
URL: (Max score 4)Total						-4

7. INTERNATIONAL VOTING

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

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		1
June 2016 Records are available		X	0
(Max score 3) Total			

INTERNATIONAL 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		1
June 2016 Records are available		X	0
(Max score 3) Total			

9. Proxy Advisor used:

ACSI

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:

Qantas Super has provided some evidence of an ESG policy. It particularly focusses on climate change and renewable energy. In particular, Qantas Super shows its support for environmental issues by investing in renewable energy resources/projects and constructing portfolios that adopt renewable energy space.

Domestically, Qantas Super has had two chances we identified in the period January to June 2017 to support climate change response resolutions and has not supported either, as recorded in its Proxy Voting Summary for the time period FY2016 – 2017. Similarly, Qantas Super has not supported two resolutions in the same period we identified related to human rights or governance issues in this time period.

A range of international shareholder resolutions have been recorded to indicate the international proxy voting history of Qantas Super. Due to the scale of the international market, a few resolutions put to large companies concerning key issues such as climate change, human rights and political spending were chosen. These resolutions were chosen as reflective because they attracted reasonable support.

Ten 2017 resolutions associated with climate change and the prevention of global warming were chosen, six of which Qantas Super had a chance to vote on. Qantas Super voted in support of two of these resolutions. Two resolutions concerning political expenditure were chosen to help indicate the fund's stance on this issue, Qantas Super voted in support of the one resolution it could vote on. Finally two resolutions concerned with human rights or consumer rights in the 2016/2017 period were considered; Qantas Super voted in support on the one chance it had to vote.

NOTES

- Only records for the past financial year (FY16-17) were publically disclosed.
- Records for July – December 2017 are expected to be available in July 2018, approximately one month after the financial year end.