

Standard Snapshot

Provides details on QIC's principles and responsibilities in terms of proxy voting.

Supports the mission and values of QIC by maintaining a high level of integrity and excellence which will allow QIC to comply with its legal, regulatory and fiduciary obligations and protect the reputation of QIC, its clients and other stakeholders.

1. Application

The Proxy Voting Standard (the "Standard") applies to relevant QIC Investment Teams, and all other employees with responsibilities for the management and oversight of proxy voting activities. It will be applied consistent with but subject to any applicable fiduciary or similar duties and applicable, legal or contractual requirements.

2. Definition

"Proxy Voting" means the exercise of all voting rights related to QIC's securities. These securities include securities managed internally by QIC or externally by an investment manager.

3. Principles

- QIC's overall intent is to vote on all resolutions where there is no legal or practical impediment to do so. QIC is not aware of any specific circumstances that exclude external investment managers from voting by law.
- Investment teams appointing external investment managers delegate responsibility for proxy voting to the external managers. Where appropriate, QIC will direct external manager proxy voting decisions.
- Each of QIC's external investment managers' implements voting on QIC's behalf in relation to its own voting principles contained in their respective voting policies and guidelines.
- Appropriate due diligence must be undertaken prior to undertaking proxy voting. The due diligence process may utilise the services of external investment managers and proxy advisory service providers (for example, at times QIC uses the services of Institutional Shareholder Services (ISS)). From time to time external investment managers may take different perspectives on common governance issues that vary from one market to another. Every resolution that is directed by QIC is voted upon according to this Proxy Voting Standard. An assessment is made on each vote taking into account the recommendations from both the investment managers and the proxy advisory service providers.
- Resolutions that are not on the ESG Material Issues list are voted on according to our external managers' own voting policies and/or standing instructions and recommendations of the proxy advisory service providers. For resolutions relating to our ESG Material Issues, the consideration of the vote is taken by the appropriate delegate listed in Roles and Responsibilities section below.
- ESG Material Issues include shareholder proposed resolutions that are inconsistent with QIC's ESG beliefs and values.

- In circumstances where the voting recommendations differ to those of QIC or its delegate, the reasoning will be reviewed by the appropriate delegate listed in Roles and Responsibilities section below and a position determined.
- We aim to avoid mixed votes for resolutions relating to issues on our ESG Material Issues list. Where voting for resolutions does not relate to issues on our ESG Material Issues list, QIC permits mixed votes.
- QIC, or its delegate (as set out in the Roles and Responsibilities section below), may determine under some circumstances that it is more effective to abstain from voting. External investment managers may refrain from voting in certain situations. These situations include, but are not limited to, when the cost of voting a proxy outweighs the benefit of voting or where power of attorney documentation is required to vote.
- Upon request, QIC will disclose to its clients details of the exercise of proxy voting rights via an annual summary of voting records. Such reporting will be available as soon as practical but within three months of the end of the relevant financial year.
- The QIC Board delegates the authority to the State Chief Investment Officer or the Managing Director of the relevant Investment team, to instruct external investment managers on voting proxy direction.

All QIC Investment teams are required to apply these principles unless otherwise documented below.

4. Roles and Responsibilities

Proxy voting is the responsibility of the relevant QIC Investment team. The following responsibilities apply, except where otherwise directed by the relevant client.

4.1 Portfolios managed by the State Investments Team

For Australian and international securities held by the State Investments Team, the responsibility for proxy voting will be delegated to the external investment managers. Appropriate review of the managers' corporate governance and proxy voting policies, guidelines and expertise will form part of the due diligence in respect of the initial appointment of the manager and the ongoing manager review process. In some circumstances external investment managers may review individual ballots using a more detailed analysis than is generally applied through voting guidelines. Where issuer-specific analysis results in a voting recommendation that deviates from a recommendation produced by the voting guidelines, managers apply an appropriate governance process to manage any potential conflicts of interest.

Notwithstanding the above, where circumstances warrant, the QIC Board delegates the authority to the State Chief Investment Officer or their delegate to influence and override external investment managers' proxy voting decisions. QIC maintains visibility of each external investment managers' voting intentions through an aggregation platform which is subject to regular monitoring. Voting decisions that relate to ESG Material Issues are reviewed by the Responsible Investments Team to determine whether to override the external investment manager's proxy voting decisions. Any override decisions are based on upholding the principles and beliefs listed in this policy and standard.

4.2 Other Portfolios

QIC exercises voting rights across all its investments (either internally or via our external managers for proxies). Where proxies need to be voted on securities held within other portfolios managed by QIC, responsibility for proxy voting will be handled in a manner consistent with the principles in this policy.