



RI TRANSPARENCY REPORT

2014/15

Vision Super

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2014-15 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
🔍	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	✓	Public							✓
OO 08	Breakdown of AUM by market	✓	Public							✓
OO 09	Additional information about organisation	✓	Public							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public						✓	
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	🔒	n/a							✓
OA 07	Governance, management structures and RI processes	✓	Public							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Public							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Public				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Public	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Public	✓						
OA 15	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Public							✓
OA 19	Internal and external review and assurance of responses	✓	Public							✓

Indirect – Manager Selection, Appointment and Monitoring				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SAM 01	Description of RI considerations	✓	Public	✓					✓	
SAM 02	Role of investment consultants	✓	Public				✓			
SAM 03	RI factors in selection, appointment and monitoring across asset classes	✓	Public							✓
SAM 04	Breakdown of passive, active quant and active fundamental	✓	Public							✓
SAM 05	ESG incorporation strategies	✓	Public	✓	✓					
SAM 06	Selection processes (listed assets)	✓	Public	✓					✓	
SAM 07	Appointment considerations (listed assets)	-	n/a				✓			
SAM 08	Monitoring processes (listed assets)	✓	Public	✓						
SAM 09	Percentage of (proxy) votes cast	✓	Public		✓					
SAM 10	Selection processes (non-listed assets)	✓	Public	✓					✓	
SAM 11	Appointment considerations (non-listed assets)	🔒	n/a				✓			
SAM 12	Monitoring processes (non-listed assets)	✓	Public	✓					✓	
SAM 13	Description of RI considerations in 'other' asset classes	🔒	n/a	✓					✓	
SAM 14	Percentage of externally managed assets managed by PRI signatories	✓	Public	✓					✓	
SAM 15	Examples of ESG issues in selection, appointment and monitoring processes	-	n/a		✓					
SAM 16	Disclosure of RI considerations	✓	Public						✓	

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 06	Objectives for engagement activities	✓	Public		✓					
LEA 07	Role in engagement process	✓	Public		✓		✓			
LEA 08	Monitor / discuss service provider information	✓	Public		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Public	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Public		✓					
LEA 12	Engagements on E, S and/or G issues	✓	Public		✓					
LEA 13	Companies changing practices / behaviour following engagement	✓	Public		✓					
LEA 14	Examples of ESG engagements	✓	Public		✓					
LEA 15	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 16	Description of approach to (proxy) voting	✓	Public		✓					
LEA 17	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 18	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 19	Confirmation of votes	✓	Public		✓					
LEA 20	Securities lending programme	✓	Public		✓					
LEA 21	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 22	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 23	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 24	Shareholder resolutions	✓	Public		✓					
LEA 25	Examples of (proxy) voting activities	✓	Public		✓					
LEA 26	Disclosing voting activities	✓	Public		✓				✓	

Vision Super

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

OO 01	Mandatory	Gateway/Peering	General
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OO 01.1 Select the category which best represents your primary activity.

- ☐ Non-corporate pension or superannuation or retirement or provident fund or plan
- ☒ Corporate pension or superannuation or retirement or provident fund or plan
- ☐ Insurance company
- ☐ Foundation or endowment
- ☐ Development finance institution
- ☐ Reserve - sovereign or government controlled fund
- ☐ Other, specify

OO 01.2 Additional information. [Optional]

Industry Super Fund

OO 02	Mandatory	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

Australia

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- ☒ 1
- ☐ 2-5
- ☐ 6-10
- ☐ >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

95.49

OO 03	Mandatory	Descriptive	General
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OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- ☐ Yes
- ☒ No

OO 04	Mandatory	Gateway/Peering	General
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OO 04.1	Indicate the year end date for your reporting year.
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30/06/2014

OO 04.2	Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on, and advisory/execution only assets.
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	trillions	billions	millions	thousands	hundreds
Total AUM		7	246	346	079
Currency	AUD				
Assets in USD		6	734	034	345

OO 04.5	Indicate the level of detail you would like to provide about your asset class mix.
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- ☒ Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- ☐ Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

OO 06	Mandatory	Descriptive	General
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OO 06.1	To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.
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- ☒ Publish our asset class mix as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	0	44.21
Fixed income – corporate	0	1.44
Fixed income – government	0	9.74
Fixed income – other	0	2.72
Private debt	0	0
Private equity	0	6.3
Property	0	5.25
Infrastructure	0	8.72
Commodities	0	0

Hedge funds	0	1.12
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	15.62	0
Other (1), specify	0	2.7
Other (2), specify	0	2.18

'Other (1)' specified

Property Opportunistic Asset Class

'Other (2)' specified

Multi-Asset Class

- ☐ Publish our asset class mix as broad ranges
- ☐ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

OO 07	Mandatory to Report Voluntary to Disclose	Peering	General
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OO 07.1

Provide a breakdown of your organisation's externally managed assets between segregated mandates and pooled funds.

	% of externally managed assets
Segregated mandate(s)	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Pooled fund(s)	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %
<i>Total externally managed assets</i>	100%

OO 07.2

Indicate the proportion of your externally managed assets in fund-of-funds.

	% of externally managed assets
Fund-of-funds	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %

OO 07.3

Additional information. [Optional]

Vision Super's Fund of Fund commitments are allocated via private equity investments.

OO 08

Mandatory to Report Voluntary to Disclose

Peering

General

OO 08.1

Indicate the breakdown of your organisation's AUM by market.

Market breakdown	% of AUM
Developed Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %

OO 09

Voluntary

Descriptive

General

OO 09.1

Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.

Vision Super believes that ESG issues can affect shareholder value and should be mainstreamed into investment practices. As an active supporter of sustainable investment practices, Vision Super seeks to assess investment opportunities and managers in terms of their ESG capabilities. Vision Super believes that the most effective mechanism for promoting sustainable principles and practices is through collaborative engagement. The Fund is a member of various organisations which enables Vision to have exposure across a range of issues.

As a member of the Australian Council of Super Investors (ACSI), the Fund is engaged in public advocacy and policy work with Australian companies and Government regulators to promote best practices. Vision also has access to a range of research, advice and practical frameworks that can be employed to effectively address ESG factors through investment processes and procedures. The ACSI Governance Guidelines assist Vision to address ESG factors in individual company assessments and the selection and monitoring of investment managers.

The work is further extended both domestically and internationally through the work of the Investor Group on Climate Change (IGCC) with respect to climate related themes and initiatives.

Furthermore, whilst the Board of Vision Super has a specific investment belief focused on ESG in the context of acting in the best interest of members, the Board is working through some key considerations. As part of this process, we are considering:

- How best we can be effective (engagement, voting and education)
- How we are best acting as part of a broader collective
- Our limited resources to effectively implement policy; and
- How valuation considerations should factor ESG risk and opportunities.

The above points will be a key focus of a Board workshop scheduled in June 2015.

Gateway asset class implementation indicators

OO 10	Mandatory	Gateway	General
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OO 10.1	Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.		
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- ☒ We engage with companies on ESG issues via our staff, collaborations or service providers
- ☒ We cast our (proxy) votes directly or via service providers
- ☒ We address ESG incorporation, engagement and/or (proxy) voting in our external manager selection, appointment and/or monitoring processes
- ☐ None of the above

OO 11	Mandatory	Gateway	General
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OO 11.1	Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.		
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- ☐ Cash
- ☒ None of the above

OO 11.2	Indicate if in the reporting year you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes in the following externally managed asset classes.		
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- ☐ Fixed income – corporate
- ☐ Fixed income – government
- ☐ Fixed Income – other
- ☒ Private equity
- ☒ Property
- ☒ Infrastructure
- ☐ Hedge funds
- ☐ Other (1)
- ☐ Other (2)
- ☐ None of the above

	'Other (1)' [as defined in OO 05]
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Property Opportunistic Asset Class

	'Other (2)' [as defined in OO 05]
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Multi-Asset Class

OO 12	Mandatory	Gateway	General
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OO 12.1	The modules and sections that you will be required to complete are listed below.
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This list is based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. You are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Fixed Income and Infrastructure are voluntary.

Core modules

- ☒ Organisational Overview
- ☒ Overarching Approach (including assets which do not have a separate module)

RI implementation directly or via service providers

	Direct - Listed Equity active ownership
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- ☒ Engagements
- ☒ (Proxy) voting

RI implementation via external managers

	Indirect - Selection, Appointment and Monitoring of External Managers
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- ☒ Listed Equities
- ☒ Private Equity
- ☒ Property
- ☒ Infrastructure

Closing module

- ☒ Closing module

OO 12.2	Additional information. [Optional]
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For some of Vision's global equity managers, they not only undertake proxy voting as part of their mandate on security holdings but are also involved in engagement with specific companies as an integral part of their investment process on certain corporate activities.

These are generally reported on a quarterly basis.

Vision Super

Reported Information

Public version

Overarching Approach

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Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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OA 01.1	Indicate if you have a responsible investment policy.
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- ☒ Yes
☐ No

OA 01.2	Indicate if you have other guidance documents or more specific policies related to responsible investment.
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- ☒ Yes
☐ No

OA 01.3	Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]
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Vision Super believes that ESG issues can affect shareholder value and should be main streamed into investment practices. As an active supporter of sustainable investment practices, Vision Super seeks to assess investment opportunities and managers in terms of their ESG capabilities. Vision Super is a member of various organisations which enables Vision to have exposure across a range of issues.

As a member of the Australian Council of Super Investors (ACSI), the Fund is engaged in public advocacy and policy work with Australian companies and Government regulators to promote best practices in regards to ESG standards. Vision also has access to a range of research, advice and practical frameworks that can be employed to effectively address ESG factors through investment processes and procedures.

The ACSI Governance Guidelines and the ACSI ESG Guidelines assist Vision to address ESG factors in individual company assessments and the selection and monitoring of investment managers, and also provides a mechanism by which to include ESG considerations into investment mandates.

Vision Super's ESG is under active consideration currently to see if it can be enhanced. Key areas of focus include:

- How we can be more effective in the social aspects of our policy;
- How we can have more impact outside of director elections and remuneration packages, particularly around M&A issues;
- How we can better address the key issue of climate change which scientific evidence suggests is on course to have materially deleterious consequences in the bulk of our members life times.

OA 02	Mandatory	Core Assessed	PRI 6
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OA 02.1	Indicate if your responsible investment policy is publicly available.
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- ☐ Yes
☒ No

OA 02.3	Indicate if your other policies or guidance documents related to responsible investment are publicly available.
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- ☐ Yes
☒ No

OA 03	Mandatory	Core Assessed	PRI 1,2
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OA 03.1	Indicate the components/types and coverage of your responsible investment policy and guidance documents.
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Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input checked="" type="checkbox"/> Specific guidelines on social issues <input type="checkbox"/> Asset class-specific guidelines <input type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<input type="radio"/> Applicable policies cover all AUM <input checked="" type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

OA 03.3	Additional information. [Optional]
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When making investment decisions, Vision Super encourages considerations around environmental, social and governance issues which may impact on the long-term performance of companies within our portfolios from time to time where these may materially impact on the performance objective of the Fund.

OA 04	Mandatory	Core Assessed	General
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OA 04.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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- ☒ Yes

OA 04.2	Describe your policy on managing potential conflicts of interest in the investment process. [Optional]
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We have a general policy related to Conflicts of interest across the organisation.

This is located on our intranet HUB for internal staff as per below:

<http://thehub.visionssuper.com.au/VisionSuperPolicies/Legal%20and%20Compliance/Conflict%20Management%20Framework.pdf>

☐ No

OA 04.3	Additional information. [Optional]
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Whilst Vision Super does not have a specific policy in place for managing conflicts of interest in the investment process, such conflicts are always reviewed and addressed at the Investment Committee Meetings and Board level with due consideration on all matters where it has governance implications.

Objectives and strategies

OA 05	Mandatory	Gateway/Core Assessed	General
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OA 05.1	Indicate if your organisation sets objectives for its responsible investment activities.
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☐ Yes

☒ No

Governance and human resources

OA 07	Voluntary	Descriptive	General
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OA 07.1	Provide a brief description of your organisation's governance, management structures and processes related to responsible investment.
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When making investment decisions, Vision Super and its fund managers must take into account the expected return and performance of investments. When making this decision, the Fund encourages the consideration of environmental, social or governance issues which may impact on the long-term performance of companies within the portfolio (ESG considerations) from time to time where they may materially impact on the performance objective of the Fund.

This is also documented within our Manager Selection Policy as one of the criteria.

☐ I would like to attach an organisation chart (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

OA 08	Mandatory	Gateway/Core Assessed	General
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OA 08.1	Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.
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Roles present in your organisation

- ☒ Board members or trustees
 - ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☐ Other Chief-level staff or head of department, specify
- ☒ Portfolio managers
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Investment analysts
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☐ Dedicated responsible investment staff
- ☒ External managers or service providers
 - ☐ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☐ Other role, specify
- ☐ Other role, specify

OA 08.2	Indicate the number of dedicated responsible investment staff your organisation has. [Optional]
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Number

1

OA 09	Voluntary	Additional Assessed	General
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OA 09.1	Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.
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Board members/Board of trustees

- ☐ Responsible investment included in personal development and/or training plan
- ☒ None of the above

Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee

- ☒ Responsible investment KPIs and/or goals included in objectives
- ☐ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☒ Responsible investment included in personal development and/or training plan
- ☐ None of the above

Portfolio managers

- ☐ Responsible investment KPIs and/or goals included in objectives
- ☒ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☐ Responsible investment included in personal development and/or training plan
- ☐ None of the above

Investment analysts

- ☒ Responsible investment KPIs and/or goals included in objectives
- ☐ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☒ Responsible investment included in personal development and/or training plan
- ☐ None of the above

OA 09.3

Provide any additional information on your organisation's performance management, reward and/or personal development processes in relation to responsible investment.

The Fund aims to attend ESG related sessions by institutions along with any relevant conferences specific to governance matters. e.g. IGCC, ACSI and Investment Advisor.

Promoting responsible investment

OA 10

Mandatory

Core Assessed

PRI 4,5

OA 10.1

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

- ☒ Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☐ Asian Corporate Governance Association
- ☐ Association for Sustainable & Responsible Investment in Asia
- ☒ Australian Council of Superannuation Investors

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☒ Moderate
- ☐ Advanced
- ☒ CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☐ CDP Forests
- ☐ CDP Water
- ☐ CFA Institute Centre for Financial Market Integrity
- ☐ Council of Institutional Investors (CII)
- ☐ Eumedion
- ☐ Extractive Industries Transparency Initiative (EITI)
- ☐ Global Investors Governance Network (GIGN)
- ☐ Global Real Estate Sustainability Benchmark (GRESB)
- ☐ Institutional Investors Group on Climate Change (IIGCC)
- ☐ Interfaith Center on Corporate Responsibility (ICCR)
- ☐ International Corporate Governance Network (ICGN)
- ☒ Investor Group on Climate Change, Australia/New Zealand (IGCC)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☐ Investor Network on Climate Risk (INCR)/CERES
- ☐ Local Authority Pension Fund Forum
- ☐ Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- ☐ Shareholder Association for Research and Education (Share)
- ☐ United Nations Environmental Program Finance Initiative (UNEP FI)
- ☐ United Nations Global Compact
- ☒ Other collaborative organisation/initiative, specify
ESG Research Australia (ESGRA)

Your organisation's role in the initiative during the reporting year (see definitions)

- ☐ Basic
- ☒ Moderate
- ☐ Advanced
- ☐ Other collaborative organisation/initiative, specify
- ☐ Other collaborative organisation/initiative, specify
- ☐ Other collaborative organisation/initiative, specify

OA 11

Mandatory

Core Assessed

PRI 4

OA 11.1

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

☒ Yes

OA 11.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- ☐ Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- ☐ Provided financial support for academic or industry research on responsible investment
- ☐ Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- ☐ Spoke publicly at events and conferences to promote responsible investment
- ☐ Wrote and published in-house research papers on responsible investment
- ☒ Encouraged the adoption of the PRI
- ☒ Other, specify

As a member of various organisations such as the Investor Group on Climate Change (IGCC), Australian Council of Super Investors (ACSI) and ESG Research Australia.

☐ No

OA 12

Voluntary

Additional Assessed

PRI 4,5,6

OA 12.1	Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or standard-setters in support of responsible investment in the reporting year.
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☒ Yes

☐ Yes, individually

☒ Yes, in collaboration with others

OA 12.2	Select the methods you have used.
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☒ Endorsed written submissions to governments, regulators or standard-setters developed by others

☐ Drafted your own written submissions to governments, regulators or standard-setters

☐ Participated in face-to-face meetings with government members or officials to discuss policy

☐ Other, specify

OA 12.3	Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.
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☒ Yes, publicly available

	provide URL
--	-------------

<http://acsi.org.au/acsi-guidelines23/policy-submissions.html>

☐ No

☐ No

OA 12.4	Additional information.
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As a member of ACSI, they prepare submissions on behalf of members at large.

Other examples include the ASX Corporate Governance Principles.

ESG issues in asset allocation

OA 13	Voluntary	Descriptive	PRI 1
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OA 13.1	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between geographic markets.
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☐ Yes

☒ No

OA 14	Voluntary	Descriptive	PRI 1
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OA 14.1

Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

☒ Yes

OA 14.2

Indicate the percentage of your total AUM invested in environmental and social themed areas.

% of total AUM

1.9

OA 14.3

Please specify which thematic area(s) you invest in and provide a brief description.

Area

☒ Clean technology (including renewable energy)

Asset class invested

- ☒ Listed equity
- ☒ Private equity
- ☐ Property
- ☐ Infrastructure

Brief description of investment

Vision Super has made allocations to Generation Investment Management via listed and private equity commitment via a climate solution theme allocation whereby the manager is dedicated to the principles of long-term investing, integrating sustainability research and client alignment. The portfolio takes a long term outlook to investing as sustainability issues that can impact on a company's ability to generate returns and therefore must be integrated fully with a rigorous fundamental equity analysis to achieve long term results.

The manager aims to do this by investing in businesses, assets and or projects that provide opportunities for greenhouse gas mitigation, market based mechanisms for climate solutions and adaptation to a changing climate.

Examples of these are:

- Carbon, Ecosystem Services MarketsCarbon credit developers
- Market infrastructure and services
-
- Bio-based EconomyBiomass (cultivated and waste) conversion; gasification
- Sustainable agriculture, soil management, water
- Organic polymers, natural plastic
-
- Renewable EnergyAdvanced solar thermal, concentrated solar
- Distributed energy and other power
- Selected wind, geothermal solutions
-
- Cleaner Fossil-based IndustryCarbon capture and sequestration
- Industrial gases
- Engineering procuremnet and contruction and system integrators

-
- Demand Side Efficiency Building controls and facility management, smart metering
- New materials
- Enabling services (including design and architecture)
- Sustainable mobility
-

☒ Green buildings

Asset class invested

- ☐ Listed equity
- ☐ Private equity
- ☒ Property
- ☒ Infrastructure

Brief description of investment

Whilst Vision Super does not allocate to property and infrastructure asset classes based on specific environmental and social themed areas, the following comments on each sector are outlined.

Property Asset Class

Property managers are very active participants in integrating sustainability initiatives within thier properties. This is driven not so much by the push of clients for ESG integration but due to financial incentives, commonly referred to as "green premium" which can be sourced from those buildings which have fully integrated environmental factors. These factors are especially prominent within the property business as the availability of natural resources is depleted, the shift to renewable energy, the effects of climate change and the changing regulatory and legislative requirements.

Our three property managers also take into account best practice frameworks relating to these properties and include the following:

- PRI
- Global Real Estate Sustainability Benchmarking (GRESB) Survey
- Transparency International
- UNEP Finance Initiative
- National Greenhouse and Energy Reporting
- Seek high rating for their buildings as tenants increasingly require this and it makes economic sense.

All of Vision Supers core property managers are signatories to the PRI. Within Australia the rating systems used is NABERS, for both energy, water and Green Star. Domestic property managers are all attempting to increase the NABERS ratings on their buildings through the refurbishment programs that are under way through their portfolios. As part of active management most also embed ESG considerations in relation to properties they acquire.

Internationally, the leading rating program is LEED, (Leadership in Energy and Environmental Design) which is a framework for identifying and implementing practical and measurable green building design, construction, operations and maintenance solutions. As example, for one of Vision Super's Asian Real Estate investments via BlackRock Real Estate, upon completion of the property's construction works the property not only received a certificate of completion and compliance (CCC) but the property was designed to be environmentally sustainable and also obtained a Platinum LEED certification for its Core and Shell awarded by the US Green Building Council; the first Platinum LEED Grade A office in Malaysia.

Furthermore, these assets have also been awarded BREEM Excellent and LEED Platinum rating with other real estate assets based in Europe being the winner of sustainability category at the Ground Engineering Awards and HQE and BBC standards in France.

Infrastructure Asset Class

Visions Infrastructure investments take into account ESG considerations as part of investment considerations.

As example, when one of our Australian based managers Hastings Funds Management acquired airports via Utilities Trust of Australia (UTA) there were initiatives that resulted in improvements from a sustainability perspective such as:

- Utilising a co-generation plant that is expected to more than halve the greenhouse gas emissions related to air-conditioning;
- Harvesting rainwater resulting water savings;
- Improvement in efficiency of waste management processes and subsequently reducing on-going costs.

One further example was when Hastings was undertaking due diligence on the potential acquisition of a port where they fully analysed the predicted impact of climate change on the marine environment such as:

- Higher sea levels
- Storm surges
- Salt water ingress and increased severity
- Frequency of extreme weather events and how this would impact the port on a number of levels from engineering upgrades to wharfs and piers to coastal flooding.

Lastly, we have also inquired on both union membership (where there is none it a redflag that the company is discriminatory) and on appropriate payments to workers at sub-contractors.

- ☐ Sustainable forestry
- ☐ Sustainable agriculture
- ☐ Microfinance
- ☐ SME financing
- ☐ Social enterprise / community investing
- ☐ Affordable housing
- ☐ Education
- ☐ Global health
- ☐ Water
- ☐ Other area, specify

☐ No

OA 14.4

Additional information.

Additional Private Equity Asset Class Comments

Our private equity managers are also committed to embedding ESG principles into their expectations on underlying managers and fully support the PRI initiatives and recognize that the integration of environmental, social and corporate governance issues into investment decision-making and ownership practices can affect the performance of investment portfolios and contribute to the support and development of sustainable markets.

Vision Super's private equity managers are majority Fund of Fund (FOF) model arrangements, typically what you find is that they have not been well positioned to effectively implement those principles. As example, as a limited partner of other private investment funds, the manager has no ability to exert control over the underlying operating company investments held in their portfolios.

Furthermore, when making an investment in another private investment fund, private equity managers have limited abilities to influence the terms of that fund.

Lastly, the due diligence process and selection criteria that our private equity managers use are appropriately designed to take into account PRI issues and underlying managers that are appointed in these FOF

arrangements are carefully considering PRI issues such as environmental, social and governance risks when evaluating whether to make an investment within the investment terms.

Innovation

OA 18	Voluntary	Descriptive	General
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OA 18.1

Indicate whether any specific features of your approach to responsible investment are particularly innovative.

☒ Yes

OA 18.2

Describe any specific features of your approach to responsible investment that you believe are particularly innovative.

- Sign up to Carbon Disclosure Project
- Reduce amount of abstain votes and engage more with fund managers on client related resolutions
- Incorporated ESG considerations into the Funds Annual Manager Reviews
- We engage with others through our memberships - Investor Group on Climate Change, ESG Research Australia, Australian Council of Super Investors, United Nations Principles of Responsible Investing / Clearinghouse engagement
- We incorporate environmental, social and governance considerations into manager selection.

☐ No

Assurance of responses

OA 19	Voluntary	Additional Assessed	General
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OA 19.1

Indicate whether your reported information has been reviewed, validated and/or assured by internal and/or external parties.

☒ Yes

OA 19.2

Indicate who has reviewed, validated and/or assured your reported information.

- ☒ Reviewed by Board, CEO, CIO or Investment Committee
- ☐ Validated by internal audit or compliance function
- ☐ Assured by an external independent provider, specify name

OA 19.3

Describe the steps you have taken to review, validate and/or assure the content of your reported information.

- Internal team peer review

☐ No

Vision Super

Reported Information

Public version

Indirect – Manager Selection, Appointment and Monitoring

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

SAM 01	Voluntary	Descriptive	PRI 1-6
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SAM 01.1

Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

Whilst some of Vision Super's fund managers may not be signatories to the PRI, it is important that managers already embrace most of the principles and are adopted into core business principles and integrated into the investment process.

The Fund's direct approach to active ownership is through the continual monitoring and dialogue with our managers who are formally reviewed annually by the Investment Committee via formal meetings or conference calls and quarterly updates from the asset consultant. These reviews include not only review of performance in terms of financial outputs but also non-financial issue which would include discussion around ESG issues.

ESG considerations have been incorporated into the manager assessment profiles which highlight the manager's approach to the area and including being a signatory to the PRI, consideration of ESG issues and how these are applied, implemented and resources allocated within the firm to undertake these areas.

Vision Super encourages managers who have not fully embraced ESG or the PRI to do so and highlights Vision's position on the matter and willingness to work with them.

We believe that one of the best mechanisms for promoting sustainable principles and practice is through collaborative engagement which is performed through membership with organisations which enable Vision Super to have exposure across a range of issues.

SAM 02	Mandatory	Core Assessed	PRI 4
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SAM 02.1

Indicate if your organisation uses investment consultants and/or fiduciary managers in the selection, appointment and/or monitoring of external managers.

☒ Yes

SAM 02.2

Indicate how your organisation uses investment consultants and/or fiduciary managers in the selection, appointment and/or monitoring of external managers. [Optional]

☒ We use investment consultants in our selection and appointment of external managers

Asset class

☒ Listed Equity (LE)

☒ Private equity (PE)

☒ Infrastructure (INF)

☒ Property (PR)

☒ We use investment consultants in our monitoring of external managers

Asset class

- ☒ Listed Equity (LE)
☒ Private equity (PE)
☒ Infrastructure (INF)
☒ Property (PR)
☐ We use fiduciary managers

SAM 02.3 Indicate if your organisation considers responsible investment in the selection, appointment and/or review processes for investment consultants and/or fiduciary managers.

- ☒ Responsible investment is included in the selection process for investment consultants
☒ Consultants' responsibilities in relation to responsible investment in manager selection, appointment and monitoring processes are included in our contractual agreements with them
☒ Responsible investment is considered when reviewing investment consultants' advice on manager selection and performance monitoring
☐ We do not consider responsible investment in the selection, appointment and/or review processes for investment consultants.

☐ No

SAM 02.4 Additional information. [Optional]

The Investment Consultant includes ESG policies as part of each manager's assessment annually across the funds asset classes within listed and private markets.

SAM 03	Mandatory	Gateway	General
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SAM 03.1 Indicate for which of the following externally managed asset classes your organisation, and/or your investment consultants, consider responsible investment factors in investment manager: (a) Selection, (b) Appointment (investment management agreements/contracts), and (c) Monitoring

Select all that apply

Asset classes	(a) Selection	(b) Appointment	(c) Monitoring
Listed equity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Private equity	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Property	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Infrastructure	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

SAM 03.2 Additional information. [Optional]

Vision Super has not appointed global equity managers in the past due to social considerations around tobacco stocks held in portfolios.

Listed equity (LE), fixed income corporate (FIC) and fixed income government (FIG)

Overview

SAM 04

Mandatory to Report Voluntary to Disclose

Gateway/Peering

General

SAM 04.1

Provide a breakdown of your externally managed listed equities, corporate fixed income and government fixed income by passive, active quant, active fundamental and other active strategies.

Listed equity (LE)

Type of strategy	As % of externally managed listed equity
Passive	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50%
Active - quantitative (quant)	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Active - fundamental and other active	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50%

SAM 05

Mandatory

Gateway

PRI 1,2

SAM 05.1

Indicate which of the following ESG incorporation strategies you encourage or require your external manager(s) to implement on your behalf:

Active investment strategies

Active investment strategies	LE		
Screening	<input checked="" type="checkbox"/>		
Thematic	<input type="checkbox"/>		
Integration	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

Passive investment strategies

Passive investment strategies	LE		
Screening	<input checked="" type="checkbox"/>		
Thematic	<input type="checkbox"/>		
Integration	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

SAM 05.2

Indicate if - on your externally managed assets - you engage directly, via service providers, or via your external manager.

	LE	
We engage directly or via service providers on our externally managed assets	<input checked="" type="checkbox"/>	
We require our external managers to engage on our behalf	<input checked="" type="checkbox"/>	
None of the above	<input type="checkbox"/>	

SAM 05.3

Indicate if - on your externally managed listed equities - you cast your (proxy) votes directly, via service providers, or via your external manager.

	LE
We cast our (proxy) votes directly or via service providers on our externally managed assets	<input checked="" type="checkbox"/>
We require our external managers to cast our (proxy) votes on our behalf	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>

SAM 05.4	Additional information. [Optional]
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Vision Super casts votes on ASX200 companies on a range of ESG investment risks which is based on recommendations through membership of the Australian Council of Superannuation Investors (ACSI). For our global equity mandates Vision Super does not vote and is entirely done by the managers as part of their mandate.

We are considering whether there are circumstances where we should vote and have specifically structured our mandates to retain this right.

Selection

SAM 06	Mandatory	Core Assessed	PRI 1-6
SAM 06.1	Indicate whether your organisation, and/or your investment consultant, in the manager selection process for listed assets, typically do any of the following:		
	General		

	LE		
Review the manager's responsible investment policies	<input checked="" type="checkbox"/>		
Discuss managers' governance and management of responsible investment activities	<input checked="" type="checkbox"/>		
Meet staff with responsible investment responsibilities to assess their skills and competence	<input checked="" type="checkbox"/>		
Discuss minimum responsible investment expectations that managers must meet	<input checked="" type="checkbox"/>		
Discuss the role managers have played in collaborative initiatives	<input type="checkbox"/>		
Ask whether the organisation is a signatory to the PRI and/or other relevant organisations	<input checked="" type="checkbox"/>		
Review the manager's responsible investment reporting to clients and/or the public, including PRI reporting	<input checked="" type="checkbox"/>		
Discuss the type of ESG reporting you expect	<input checked="" type="checkbox"/>		
Assign specific weighting to ESG factors in your manager evaluation	<input type="checkbox"/>		
Other general aspects in your selection process, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

ESG incorporation

	LE		
Evaluate the quality and coverage of ESG research used by managers	<input checked="" type="checkbox"/>		
Assess how the manager incentivises brokers to provide ESG research	<input checked="" type="checkbox"/>		
Assess managers' ESG incorporation strategies and ability to identify and manage ESG issues	<input checked="" type="checkbox"/>		
Discuss with managers how ESG issues have impacted specific investment decisions and, where relevant, stock or portfolio performance	<input checked="" type="checkbox"/>		
Evaluate index providers' ESG incorporation when designing the index	<input checked="" type="checkbox"/>		
Other ESG incorporation issues in your selection process, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

Engagements

	LE	
Discuss the managers' engagement processes	<input checked="" type="checkbox"/>	
Discuss the role managers have played in influencing companies' ESG practices and performance	<input checked="" type="checkbox"/>	
Discuss how information gained through engagement is incorporated into investment decision-making	<input checked="" type="checkbox"/>	
Other engagement issues in your selection process, specify	<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	

(Proxy) voting

	LE
Discuss the managers' voting processes	<input type="checkbox"/>
Discuss how information gained through research for (proxy) voting is used in investment-decision making	<input checked="" type="checkbox"/>
Other (proxy) voting issues in your selection process, specify	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>

If you select any 'Other' option(s), specify

Where there are contentious issues we will also seek the fund managers input for their approach to specific resolutions on upcoming Annual General Meetings.

Monitoring

SAM 08	Mandatory	Core Assessed	PRI 1
SAM 08.1	Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager typically do any of the following:		
	General		

	LE		
Include responsible investment as a standard agenda item at performance review meetings	<input checked="" type="checkbox"/>		
Highlight examples of good responsible investment practice by other managers	<input checked="" type="checkbox"/>		
Review the manager's responsible investment reporting, for example PRI-generated responsible investment reports	<input type="checkbox"/>		
Encourage your managers to consider joining responsible investment initiatives/organisations or participate in collaborative projects with other investors	<input type="checkbox"/>		
Include responsible investment criteria as a formal component of overall manager performance evaluation	<input checked="" type="checkbox"/>		
Request information on whether your manager's approach to ESG issues has impacted financial performance	<input type="checkbox"/>		
Request information on whether your manager's approach to ESG issues has impacted risk or volatility	<input type="checkbox"/>		
Request information on whether your manager's approach to ESG issues has impacted ESG performance	<input type="checkbox"/>		
Other general aspects of your monitoring, specify	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

ESG incorporation

	LE		
Request information on ESG incorporation in specific investment decisions	<input checked="" type="checkbox"/>		
Other ways you monitor ESG incorporation, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

Engagements

	LE	
Review the ESG information relevant to the engagements	<input checked="" type="checkbox"/>	
Discuss the number of engagements and their comprehensiveness	<input checked="" type="checkbox"/>	
Discuss the type of role played (i.e. leading or supporting)	<input type="checkbox"/>	
Review the progress of ongoing engagements and/or outcomes of completed engagements	<input type="checkbox"/>	
Other ways you monitor engagement activities, specify	<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	

(Proxy) voting

	LE
Review the number or percentage of votes cast	<input checked="" type="checkbox"/>
Request an explanation of reasons for votes cast	<input checked="" type="checkbox"/>
Discuss whether companies were informed of the reasons for votes against management recommendations or abstentions/withheld votes	<input checked="" type="checkbox"/>
Review the number of resolutions on ESG issues filed or co-filed	<input checked="" type="checkbox"/>
Discuss the changes in company practice (outcomes) that have been achieved from voting activities	<input type="checkbox"/>
Other ways you monitor (proxy) voting activities, specify	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>

If you select any 'Other' option(s), specify

Publish and report statistical and voting outcomes on all resolutions annually on our website of proxy voting outcomes.

SAM 09

Mandatory

Core Assessed

PRI 2

SAM 09.1	For the listed equities where you have given your external managers a (proxy) voting mandate, indicate the approximate percentage (+/- 5%) of votes that were cast during the reporting year.
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☒ We track or collect this information

	Votes cast (to the nearest 5%)
--	--------------------------------

	%
--	---

89

	Specify the basis on which this percentage is calculated
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- ☐ Of the total number of ballot items on which they could have issued instructions
- ☒ Of the total number of company meetings at which they could have voted
- ☐ Of the total value of your listed equity holdings on which they could have voted
- ☐ We do not track or collect this information

SAM 09.2	Additional information. [Optional]
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Summary for Australian Equity Voting for Financial Year Ending 30 June 2014

- * Voted on 1,618 resolutions at 311 company meetings across a number of categories.
- * From total resolutions, 44% related to Director Elections, 36% Remuneration proposals, and 7% to Capital or Company structures with the remaining across various shareholder related items.
- * 89% of voting was for proposed resolutions
- * 9% of voting was against proposed resolutions
- * 91% of voting was with management proposals
- * 8% of voting was against management proposals

Summary for International Equity Voting for Financial Year Ending 30 June 2014

- Voted on 11,264 resolutions at 814 meetings across a number of categories.
- From total resolutions, 60% were Directors Related, 16% Routine Business, 10% Non-Salary Compensation, 6% Capitalization with the remaining across various shareholder related items.
- * 90% of voting was for proposed resolutions
- * 8% of voting was against proposed resolutions
- * 93% of voting was with management proposals
- * 6% of voting was against management proposals

Private equity (PE), property (PR) and infrastructure (INF) - non-listed assets

Selection

SAM 10	Mandatory	Core Assessed	PRI 1-6
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SAM 10.1	Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager typically do any of the following:
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	General
--	---------

	PR	INF
Review the manager's/general partner's responsible investment policy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss the manager's governance and management of responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Meet staff with responsible investment responsibilities to assess their skills and competence	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss minimum responsible investment expectations that managers must meet	<input type="checkbox"/>	<input type="checkbox"/>
Discuss the role managers have played in collaborative initiatives	<input type="checkbox"/>	<input type="checkbox"/>
Ask whether the organisation is a signatory to the PRI and/or other relevant organisations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assess the external manager's reporting and how it will help you to monitor that it is acting consistent with the agreed-upon ESG-related policies and practices during the life of the fund	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review the manager's responsible investment disclosure, including PRI reporting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assign specific weighting to ESG factors in your manager evaluation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other general aspects in your selection process, specify	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

Investment selection (pre-investment) of underlying holding

	PR	INF
Assess the manager's policies, processes and systems for identifying ESG-related value drivers and managing material ESG-related risks pre-investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other pre-investment aspects reviewed in your selection process, specify	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

Investment monitoring (post-investment) of underlying holding

	PR	INF
Understand if and how the manager influences and supports its portfolio companies'/assets' management of ESG-related risks and pursuit of ESG-related opportunities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss examples of how managers have previously identified and addressed ESG issues in their portfolios on an ongoing basis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assess the manager's/general partner's approach to managing and disclosing material incidents at the manager / General Partner and underlying holdings	<input type="checkbox"/>	<input type="checkbox"/>
Other post-investment aspects reviewed in your selection process, specify	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

Monitoring

SAM 12	Mandatory	Core Assessed	PRI 1-6
SAM 12.1	Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager, typically do any of the following:		
	General		

	PE	PR	INF
Include responsible investment as a standard agenda item at performance review meetings	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Highlight examples of good responsible investment practice by other managers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Review manager's responsible investment reporting, for example PRI-generated responsible investment reports	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Encourage your managers to consider joining responsible investment initiatives or organisations or participate in collaborative projects with other investors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Include responsible investment criteria as a formal component of overall manager performance evaluation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Request information on whether your manager's approach to ESG issues has impacted financial performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Request information on whether your manager's approach to ESG issues has impacted ESG performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other general aspects of your monitoring, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Investment selection (pre-investment) of underlying holding

	PE	PR	INF
Discuss how the analysis of ESG issues affected investment decisions during the reporting period	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other ways ESG issues are incorporated in the pre-investment process, specify	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Investment monitoring (post-investment) of underlying holding

	PE	PR	INF
Request reports on the ESG characteristics of the manager's underlying holdings and discuss related developments that may impact holdings in the fund	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Request examples of ESG issues identified within the portfolio and action taken in response	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Request details of how ESG factors were considered when preparing to exit from investments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other ways ESG issues are monitored in the post-investment process, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SAM 12.2

Provide additional information relevant to your organisation's dialogue and monitoring of external managers. [Optional]

Through IGCC there has been endorsed written submissions to governments, regulators or standard letters and have participated in face-to-face meetings with government members or officials to discuss policy.

Furthermore, through IGCC we contributed to public policy development by multiple submissions and meetings with Government officials on the Renewable Energy Target.

There were additionally three public submissions on government policy for complementary measures.

IGCC represented our organisation in dialogue with Government officials on Australia's contributions to international climate change negotiations and wrote to G20 Governments on climate policy ambition.

IGCC also conducted on our behalf, private meetings with Government Ministers, Opposition representatives and The Greens party, regarding climate change policy priorities. The IGCC facilitated presentations by, and dialogue with, the Climate Change Authority and the Emissions Reduction Fund Taskforce of the Federal Department of the Environment.

Through IGCC we also participated in a number of international statements on climate change policy that were delivered to heads of state and lead national negotiators participating in UNFCCC processes. Collaboration with the GIC (Global Investor Coalition on Climate Change) UNEPFI and PRI was a feature of these activities.

IGCC also represented members at the UN Secretary General's Climate Change Summit in New York in September and at several preparatory meetings, including the Abu Dhabi Ascent in May.

Outputs and outcomes

SAM 14

Mandatory to Report Voluntary to Disclose

Descriptive

PRI 1-6

SAM 14.1

Indicate approximately what percentage (+/- 10%) of your externally managed assets are managed by PRI signatories.

%

SAM 14.2	Additional information. [Optional]
-----------------	------------------------------------

Where managers are not signatories to the PRI, most of them have an active research agenda specific to ESG research and customised quantification data on the universe along with subscriptions and memberships to relevant providers. As example, some of our Australian based managers (listed and private markets) are members of the Responsible Investment Association Australasia (RIAA) but not a signatory to the Principles of Responsible Investing. RIAA is one of the main bodies representing responsible and ethical investors across Australia and New Zealand and supports its members by acting as a hub for critical information for responsible investors through webinars, conferences, events, research and policy.

Other managers (ie. absolute return strategies) who are not signatories to the PRI, have engaged providers such as Glass Lewis and Company to vote proxies on behalf of their clients. Glass Lewis is a signatory of the PRI and abides by the principles set forth. Glass Lewis considers ESG issues in the process of generating their recommendations particularly as it relates to shareholder initiatives and other ESG related topics.

Communication

SAM 16	Mandatory	Core Assessed	PRI 6
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SAM 16.1	Indicate if your organisation proactively discloses any information about responsible investment considerations in your indirect investments.
-----------------	---

☒ Yes, we disclose information publicly

provide URL

<https://www.visionsuper.com.au/about-us/sustainable-super>

provide URL

<https://www.visionsuper.com.au/images/employer-reports/Annual-Report-2014.pdf>

SAM 16.2	Indicate if the level of information you disclose to the public is the same as that disclosed to clients and/or beneficiaries.
-----------------	--

☒ Yes

SAM 16.3	Indicate what type of information your organisation proactively discloses to the public and clients and/or beneficiaries about your indirect investments.
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- ☒ How responsible investment considerations are included in manager selection, appointment and monitoring processes
- ☒ Details of the responsible investment activities carried out by managers on your behalf
- ☐ E, S and/or G impacts and outcomes that have resulted from your managers' investments and active ownership
- ☒ Other, specify

We disclose affiliations with active organisations promoting sustainability in the superannuation industry including:

* Australian Council for Super Investors (ACSI)

- * ESG Research Australia (ESGRA)
- * IGCC

- ☐ No
- ☐ Yes, we disclose information to clients/beneficiaries only
- ☐ We do not proactively disclose information to the public and/or clients/beneficiaries

SAM 16.4	Additional information. [Optional]
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Through our affiliation with IGCC, there have been a number of written submissions to governments and regulatory authorities which can be referenced at IGCC's website link as follows:

<http://www.igcc.org.au/content/publications>

Vision Super

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Engagement

Overview

LEA 01	Voluntary	Descriptive	PRI 2
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LEA 01.1 Provide a brief overview of your organisation's approach to engagement.

Engagement with ASX200 companies on a range of ESG investment risks is undertaken through our membership of the Australian Council of Superannuation Investors (ACSI). ACSI is a collaborative membership organization of 37 superannuation funds, who invest over \$A1.5 trillion in assets under management. Engagement is typically undertaken in person by ACSI's analysts directly with the Boards of ASX300 companies. In 2014, ACSI had engagements with 186 companies.

Note: For the purposes of reporting, ACSI is categorized as a Service Provider; that is, an 'Investor organization[s] that conduct engagement on their members' behalf and which have an explicit mandate from their members to represent them'.

LEA 02	Mandatory	Gateway	PRI 1,2,3
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LEA 02.1 Indicate your reasons for interacting with companies on ESG issues and indicate who carries out these interactions.

Type of engagement	Reason for interaction
Individual/Internal staff engagements	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via service providers

LEA 02.2	Additional information. [Optional]
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ACSI's member funds are united by the beliefs that:

The short-term outlook of many actors in the investment system means that today's market prices may not capture all of the risks and opportunities inherent in the value of companies.

Responsible exercise of ownership rights by long-term asset owners can assist in improving that value and consequent investment return outcomes for their members.

The financial system is not always set up in the best long term interests of beneficiaries.

ACSI's mission is therefore to enhance sustainable long term value for the retirement savings that are entrusted to our Members as fiduciary institutional investors. ACSI achieves this by representing the collective rights and interests of Members through influencing companies, investors, government and opinion leaders.

Process

Process for engagements run internally

LEA 03	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 03.1 Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.

- ☐ Yes
- ☒ No

LEA 03.3 Additional information. [Optional]

No formal policy or process for identifying or prioritising engagement activities by internal staff.

Furthermore, as part of the Boards ESG considerations, the funds policy needs to be implementable and resource effective and as outlined earlier within the reporting framework this will be analysed as part of overall cost/benefit considerations. At this point in time the Fund has limited resources and a limited ability to impact critical decisions and any approach would be principles based and in the best interests of our members.

However, in reviewing our ESG policy the CEO and CIO have met with other Funds on ESG policy. We have engaged in discussions on policy with our investment managers, engaged with the Grattan Institute on energy policy in particular, and discussed with ACSI and IGCC on Vision Super's options with regards to ESG policy in practice.

LEA 04	Mandatory	Core Assessed	PRI 2
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LEA 04.1 Indicate if you define specific objectives for your engagement activities.

- ☒ Yes
- ☒ Yes, for all engagement activities
- ☐ Yes, for the majority of engagement activities
- ☐ Yes, for a minority of engagement activities
- ☐ No

LEA 04.2

Indicate if you monitor the actions that companies take following your engagements.

- ☒ Yes
- ☐ Yes, in all cases
 - ☐ Yes, in the majority of cases
 - ☐ Yes, in the minority of cases

LEA 04.3

Describe how you monitor and evaluate the progress of your engagement activities.

ACSI annually creates a list of engagement priority companies with specifically defined concerns and objectives for each company. Objectives are meaningful changes in company behaviour. ACSI also sets objectives for the proportion of all priority companies where objectives are met (for example, ACSI may aim for over 50% of all priority companies' objectives to be met).

Monitoring and evaluation is done through semi-annual progress reports, itemized company by company and in aggregate, which are delivered to member funds.

Inbound engagements with companies that are not on the priority list also involve specific objectives, though typically less material. Monitoring of these is done through annual evaluation by ACSI's Member Council, and a range of internal reports. The results of these engagement meetings are also included in ACSI's proxy voting reports and surveys involving all companies in ACSI's universe (called "longitudinal" research projects).

- ☐ No

Process for engagements conducted via collaborations**LEA 05****Mandatory****Core Assessed****PRI 2****LEA 05.1**

Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements.

- ☐ Yes
- ☒ No

LEA 06**Mandatory****Core Assessed****PRI 2****LEA 06.1**

Indicate if the collaborative engagements in which you are involved have defined objectives.

- ☐ Yes
- ☒ No

LEA 06.2

Indicate if you monitor the actions companies take following your collaborative engagements.

- ☒ Yes
- ☐ Yes, in all cases
 - ☐ Yes, in the majority of cases
 - ☒ Yes, in the minority of cases

LEA 06.3

Describe how you monitor and evaluate the progress of your collaborative engagement activities.

We would generally review the company responses from our collaborative engagements.

☐ No

LEA 06.4

Additional information. [Optional]

As Visions representative, ACSI and its research provider (ISS Governance Australia) engage with ASX200 companies on contentious voting resolutions before company meetings. In almost all cases, ACSI or its research provider will advise company representatives of its voting recommendations and the reasons for its recommendations before a company meeting.

However, in some cases, ACSI will advise the company of the rationale behind its 'against' voting recommendation after the meeting. Voting reports are also made available to company representative upon request.

Process for engagements conducted with/on your behalf by service providers

LEA 07

Mandatory

Core Assessed

PRI 2,4

LEA 07.1

Indicate if you play a role in the engagement process that your service provider conducts on your behalf.

☒ Yes

LEA 07.2

Indicate what role you play in engagements that your service provider conducts on your behalf.

- ☒ Specify the issues for the engagement
- ☐ Specify the objectives for the engagement
- ☐ Select the companies to be engaged with
- ☒ Participate directly in the engagements with your service provider
- ☒ Actively monitor and review the activities of the service provider
- ☐ Other, specify

☐ No

LEA 07.3

Additional information. [Optional]

ACSI members, together with ACSI management, identify issues for engagement on an annual basis. Monitoring and review are done semi-annually via progress reports and presentations.

While members do not "specify" the particular objectives for the engagement or companies to be engaged with, they do approve ACSI's choices.

Members also attend a number of engagements each year alongside ACSI staff. In many cases, several members attend a single meeting.

LEA 08

Mandatory

Core Assessed

PRI 2,6

LEA 08.1

Indicate whether you monitor and/or discuss the following information provided to you by your service provider

Please select all that apply

- ☒ The subject (or ESG issue(s)) of engagement
- ☒ The objectives of the engagement
- ☒ The rationale for engagement
- ☒ The frequency/intensity of interactions with companies
- ☒ Progress towards achieving engagement goals
- ☒ Outcomes that have been achieved from the engagement
- ☒ Next steps for engagement activity
- ☐ Other, specify
- ☐ None of the above

LEA 08.2

Additional information. [Optional]

ACSI presents progress reports and presentations semi-annually as part of meetings of the ACSI Member Council, which is attended by all "full members" of ACSI. This forum is the formal opportunity to discuss ACSI's engagement activities.

Members are also able to discuss activities on an ad hoc basis with ACSI staff.

General processes for all three groups of engagers

LEA 09

Voluntary

Additional Assessed

PRI 1,2

LEA 09.1

Indicate if the insights gained from your engagements are shared with your internal or external investment managers as input for consideration in investment decisions.

Type of engagement	Insights shared
Individual/Internal staff engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No
Collaborative engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No
Service provider engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No

LEA 09.2	Additional information.
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Vision Super will on occasions provide feedback to managers and companies for their consideration and review on ESG related company holding matters with the intention of also understanding how and why the managers approach to similar resolution is different.

LEA 10	Mandatory	Gateway/Core Assessed	PRI 2
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LEA 10.1	Indicate if you track the number of engagements your organisation participates in.
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Type of engagement	Tracking engagements
Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements
Collaborative engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements
Service provider engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements

LEA 10.2	Additional information. [Optional]
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ACSI provides semi-annual engagement updates.

Outputs and outcomes

LEA 11	Mandatory to Report Voluntary to Disclose	Core Assessed	PRI 2
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LEA 11.1	Indicate the number of companies with which your organisation engaged during the reporting year.
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	Number of companies engaged (avoid double counting, see explanatory notes)
Individual / Internal staff engagements	0
Collaborative engagements	0
Service provider engagements	186

LEA 11.2

Indicate what percentage of your engagements were comprehensive during the reporting year. [Optional]

Type of engagement	% Comprehensive engagements
Individual / Internal staff engagements	<input type="radio"/> > 50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None
Collaborative engagements	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None
Service provider engagements	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None

LEA 11.3

Indicate what percentage of your collaborative engagements you were a leading organisation on during the reporting year. [Optional]

Type of engagement	% Leading role
Collaborative engagements	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> None

LEA 11.4

Indicate for which part of your service provider engagements you were highly involved during the reporting year. [Optional]

Type of engagement	% High involvement
Service provider engagements	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> None

LEA 11.5 Additional information. [Optional]

Around 45% of companies were classified as comprehensively engaged.

LEA 12

Voluntary

Additional Assessed

PRI 2

LEA 12.1 Indicate if your engagements in the reporting year covered E, S and/or G issues.

Type of engagement	Coverage
Individual / Internal staff engagements	<input type="checkbox"/> Environmental <input type="checkbox"/> Social <input type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information
Collaborative engagements	<input type="checkbox"/> Environmental <input type="checkbox"/> Social <input type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information
Service provider engagements	<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information

LEA 12.2 Provide an estimated breakdown by E, S and/or G issues.

Individual / Internal staff engagements

100%

Collaborative engagements

100%

	Service provider engagements
	% Environmental only
0	
	% Social only
0	
	% Corporate Governance only
36	
	% Overlapping ESG issues
64	
100%	

LEA 12.3	Additional information.
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ACSI's "Environmental only" and "Social only" outcomes are 0%. This is because ACSI's engagement in this period typically included Environmental and Social issues together, including a project where each ASX200 company was contacted.

The following shows the percentage of engagements that included an E, S and/or G issues respectively: 53%, 58% and 74%.

LEA 13	Voluntary	Descriptive	PRI 2
LEA 13.1	Indicate whether you have a reliable estimate of the number of cases during the reporting year where a company has changed its practices, or made a commitment to do so, following your organisation's and/or your service provider's engagement activities.		
<input checked="" type="radio"/> Yes			
LEA 13.2	Indicate the number of companies that changed or committed to change in the reporting year following your organisation's and/or your service provider's engagement activities.		

	Number of company changes or commitments to change
Individual / Internal staff engagements	
Collaborative engagements	
Service provider engagements	56

☐ No

LEA 13.3	Additional information.
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Regarding LEA 13.2, ACSI is yet to reassess for a significant number of companies to determine whether they have changed practices. Others are companies where ACSI engaged following recommending votes against but where the company has not yet had a subsequent meeting or where an engagement with a company was to inform them of an assessment but where an immediate change in practice was not sought.

LEA 14	Voluntary	Descriptive	PRI 2
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LEA 14.1	Provide examples of the engagements that your organisation carried out during the reporting year.
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☒ Add Example 1

Topic or ESG issue	Corporate Governance
Conducted by	<input type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative <input checked="" type="checkbox"/> Service provider
Objectives	Improve specific company practices in governance of: (a) Executive remuneration (b) Directors and board composition; and (c) Capital raising practices
Scope and Process	ACSI engaged with 18 priority companies on one or more of these governance issues, which were identified through past proxy voting research and recommendations. Typically, letters were written to the companies with the majority of these becoming catalysts for face to face engagement meeting with board members.
Outcomes	Around 60% of the specific issues identified were at least partly resolved during the year.

☒ Add Example 2

Topic or ESG issue	Anti-Corruption and Bribery Policies and Practices
Conducted by	<input type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative <input checked="" type="checkbox"/> Service provider
Objectives	Enhanced company disclosure of anti-corruption policies as per ICGN framework.
Scope and Process	ACSI engaged with 14 companies identified via commissioned research to have poor anti-corruption disclosure relative to risk exposure. Letters were written to companies, followed by either further written correspondence or face to face meetings.
Outcomes	All but one company made some improvements to its disclosures. This included both publicly disclosed policies and annual reports on performance in the area.

☒ Add Example 3

Topic or ESG issue	Labour & Human Rights Policies
Conducted by	<input type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative <input checked="" type="checkbox"/> Service provider
Objectives	Enhanced company disclosure of Labour and Human Rights policies.
Scope and Process	<p>ACSI engaged with 9 companies identified via two commissioned research reports for high exposure to labour and human rights risks with relatively low disclosure of policy.</p> <p>Letters were written to companies, followed by further written correspondence and face to face meetings.</p>
Outcomes	Just over half the companies improved their disclosures, both policies and annual disclosures.

☒ Add Example 4

Topic or ESG issue	Sustainability Reporting
Conducted by	<input type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative <input checked="" type="checkbox"/> Service provider
Objectives	Improved annual reporting of ESG risks.
Scope and Process	<p>63 companies were identified through ACSI's research to have basic or no reporting on ESG risks in annual disclosures. Of these, nine received a specific focus due to their size and poor performance on ESG.</p> <p>Letters written to each company detailing areas that require improvement and providing guidance on disclosure frameworks.</p>
Outcomes	Four of the nine priority companies showed some improvement in subsequent assessments.

- ☐ Add Example 5
- ☐ Add Example 6
- ☐ Add Example 7
- ☐ Add Example 8
- ☐ Add Example 9
- ☐ Add Example 10

LEA 14.2	Additional information.
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Our service provider ACSI uses a calendar year for its engagement work. The examples above include engagements that occurred in its 2013 program (but are closely indicative of the first half of its 2014 as well).

Communication

LEA 15	Mandatory	Core Assessed	PRI 2,6
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LEA 15.1	Indicate whether your organisation proactively discloses information on its engagements.
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- ☐ We disclose it publicly
- ☒ We disclose it to clients and/or beneficiaries only

LEA 15.5	Indicate what engagement information your organisation proactively discloses to clients/beneficiaries.
----------	--

Engagement information disclosed

- ☐ Details of the selections, priorities and specific goals of engagement
- ☐ Number of engagements
- ☐ Breakdown of engagements by type/topic
- ☐ Breakdown of engagements by region
- ☐ An assessment of the current status of the engagement
- ☐ Outcomes that have been achieved from the engagement
- ☒ Other information

The Fund generally discloses on its website the proxy voting outcomes on all resolutions for ASX200 companies for domestic portfolios and statistical data.

LEA 15.6

Indicate how frequently you typically report engagements information

- ☐ Disclosed continuously (prior and post engagements)
- ☐ Disclosed quarterly
- ☒ Disclosed annually
- ☐ Disclosed every two years or less
- ☐ Other, specify
- ☐ We do not proactively disclose it to the public and/or clients/beneficiaries.

LEA 15.8

Additional information. [Optional]

Vision Super discloses its annual proxy voting outcomes on its website and annually makes a report to the Investment Committee.

(Proxy) voting and shareholder resolutions

Overview

LEA 16

Voluntary

Descriptive

PRI 2

LEA 16.1

Provide a brief overview of your organisation's approach to (proxy) voting (including the filing and/or co-filing of shareholder resolutions if applicable).

The Fund/Trustee exercises all voting rights for investments held by the Fund. Vision Supers policy recognises that direct company share ownership confers on it a responsibility to vote and thereby influence the running of the company. By using voting rights the Fund/Trustee is seeking to add long-term value to the Funds share portfolio.

The Fund also recognises that the investment management process extends beyond the selection and appointment of fund managers or the purchase of shares or units in a company or trust to include the exercise, rights and responsibilities of ownership.

As a member of ACSI, Vision Super subscribes to the S&P/ASX 200 companies for Vision Super's discrete managed portfolios. ACSI's recommendations are implemented through our custodians voting platform system which are based on a set of Governance Guidelines which are specifically created by ACSI members including Vision Super.

Vision Super receives proxy voting advice from ACSI. This advice is based on a set of Governance Guidelines which were specifically created by ACSI members to represent their interests including Vision Super. ACSI's engagement work is the second key input into providing accurate relevant advice.

Fund managers must carefully consider exercising or refraining from exercising voting rights attached to any of the investments of the portfolio where notice has been received by the Fund Managers on a timely basis.

When exercising voting rights, the Fund manager must at all times:

- Vote in the best interests of the Trustee in managing and administering the Fund, and in accordance with its proxy voting policies and procedures provided to the Trustee.
- Exercise those voting rights to protect and enhance the Net Asset Value of the Portfolio and in accordance with any prior Direction from the Trustee attaching to a particular investment Act in the best interests of the Trustee and the Fund, notwithstanding any other clients or relationships or other dealings that the Fund Manager may have in the relevant matter; and Advise the Trustee in a timely manner on how it intends to vote (or recommend it votes) on all occasions and report monthly to the Trustee on all votes cast and not cast.
- If the Fund Manager is of the opinion that the exercise of the voting rights in a particular matter may attract publicity to the Trustee of the Fund or could be or become a contentious issue in the market place, or could constitute a conflict of interest to the Fund Manager, the Fund Manager will discuss the issue with the Trustee and seek a Direction from the Trustee on the manner in which it is to exercise those voting rights.

The Trustee reserves the right to issue one or more Directions in relation to the manner in which the Fund Manager is to exercise voting rights attached to any investments of the portfolio from time to time.

The Trustee will provide a Direction to the Fund Manager if it wishes the Fund Manager to use the Institutional Shareholder Service (ISS) Proxy Voting Services platform system to exercise voting rights on behalf of the Trustee. The Trustee will arrange for the Global Master Custodian to provide access rights to the Manager to enable the Fund Manager to use the ISS Proxy Voting Services voting platform (if and when required).

The issues considered controversial by the Fund/Trustee, include but are not necessarily limited to:

- * Excessive remuneration of company Board members or key senior staff;
- * Allocation of options without clear and reasonable performance hurdles;
- * In appropriate bundling of resolutions;
- * Appointment of Executive Directors where non-Executive Directors are in the minority;
- * Inappropriate takeover defences;
- * Where there could be material conflict in relation to the fund manager or subsidiary of the fund manager;
- * Where a company's operations result in the violation or denial of human rights;
- * Where a company conducts its operations in such a manner as to violate or deny labour rights, employ child labour, or breach the International Labour Organisation (a United Nations affiliated organisation) convention on work place rights; and,
- *Where a company's operations have an unsustainable impact on the environment.

Process			
LEA 17	Mandatory	Descriptive	PRI 2
LEA 17.1	Indicate how you typically make your (proxy) voting decisions and what this approach is based on.		

Approach

- ☐ We use our own research or voting team and make our own voting decisions without the use of service providers.
- ☒ We hire service provider(s) which make voting recommendations or provide research that we use to inform our voting decisions.

Based primarily on

- ☒ the service provider voting policy signed off by us
- ☐ our own voting policy
- ☐ our clients requests or policy
- ☐ other, explain
- ☐ We hire service provider(s) which make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.
- ☐ We hire service provider(s) which make voting decisions on our behalf.

LEA 17.2	Additional information.[Optional]
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ACSI's voting advice covers the ASX200. It is based on a set of Governance Guidelines which were specifically and collaboratively created by ACSI members to represent their interests. The Guidelines are used by management to arrive at their voting recommendations.

Full members of ACSI are able to participate in biennial revisions of the Governance Guidelines.

<http://acsi.org.au-guidelines23/acsigovernance-guidelines.html>

LEA 19	Voluntary	Descriptive	PRI 2
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LEA 19.1	To ensure that your (proxy) votes are cast and reach their intended destination on time, indicate if you did the following.
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- ☒ Obtain confirmation that votes have been received by the company:
 - ☒ for a majority of votes
 - ☐ for a minority of votes
- ☐ Participate in projects to improve the voting trail and/or to obtain vote confirmation
- ☐ None of the above

LEA 20	Voluntary	Additional Assessed	PRI 2
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LEA 20.1	Indicate if your organisation has a securities lending programme.
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- ☐ Yes
- ☒ No

LEA 20.3	Additional information. [Optional]
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The Board has recently approved for a principal securities lending program to be implemented via our custodian arrangements through National Asset Servicing (NAS) for our Australian and International equities and bond sectors during the March 2015 period with commencement of programme starting 13 April 2015.

LEA 21	Mandatory	Core Assessed	PRI 2
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LEA 21.1	Indicate if you ensure that companies are informed of the rationale when you and/or the service providers acting on your behalf abstain or vote against management recommendations.
----------	---

- ☒ Yes, in most cases
- ☐ Sometimes, in the following cases:
- ☐ No
- ☐ Not applicable as we and/or our service providers do not abstain or vote against management recommendations

LEA 21.2	Additional information. [Optional]
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For all companies covered by our external provider ACSI's voting service, ACSI corresponds either via meeting or teleconference around the time of the company meeting, or writes to each company where there was an 'against' recommendation expressing its rationale and concerns. Companies where there are more material concerns become Corporate Governance engagement priorities where ACSI typically holds face to face meetings with the company urging it to change its practices.

ACSI does not vote on behalf of its members.

Outputs and outcomes

LEA 22	Mandatory	Core Assessed	PRI 2
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LEA 22.1	For listed equities where you and/or your service provider has the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.
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- ☒ We do track or collect this information

	Votes cast (to the nearest 1%)
--	--------------------------------

	%
--	---

100

	Specify the basis on which this percentage is calculated
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- ☐ of the total number of ballot items on which you could have issued instructions
- ☒ of the total number of company meetings at which you could have voted
- ☐ of the total value of your listed equity holdings on which you could have voted

LEA 22.2	If there are specific reasons why you did not vote certain holdings, explain these, and if possible, indicate the percentage of holdings affected by these factors. [Optional]
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- Strategic decision not to vote on certain types of assets or funds
- Lack of expertise and skills to make proper assessment on specific resolutions
- Operational or timing constraints
- Share-blocking
- Conflicts of interest
- Administrative impediments (e.g. power of attorney requirements, ineligibility due to participation in share placement)
- Voting fees
- Geographical restrictions (non-home market)
- Insufficient information
- Overall cost effectiveness

☐ We do not track or collect this information

LEA 22.3	Additional information. [Optional]
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Vision Super votes on all its ASX200 stock which is the scope of our ACSI voting subscription where we have overriding voting ability over manager votes. Furthermore, our managers vote on companies well outside the ASX200 with all global international mandates authorising the manager to exercise any right to vote attached to a share or security forming part of the portfolio and if required to attend and speak at any meeting at which those rights may be exercised, to appoint directors on behalf of the Trustee where the Trustee has an entitlement to make such appointments or to so direct the custodian by proper instructions.

Evaluation by our asset consultant has identified that there has been a significant change in regards to the way our international equity managers and their approach to responsible investing and ESG, with particular improvement in the way they are increasingly using ESG data as part of their process. Analysis has determined that there have been positive tilts in the case of GMI and MSCI Intangible Value Assessment (IVA) which have demonstrated that our international portfolios are better than benchmark on ESG factors.

Furthermore, a negative Trucost tilt has shown that from a carbon footprint angle, Vision's impact ratio is less than the benchmark universe.

All managers are obliged to provide a copy of its proxy voting policy to Vision and on any amendments to the policy thereafter.

LEA 23	Voluntary	Descriptive	PRI 2
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LEA 23.1	Indicate if you track the voting instructions that you and/or your third party have issued on your behalf.
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☒ Yes, we track this information

LEA 23.2	Of the voting instructions that you and/or third parties have issued on your behalf, indicate the proportion of ballot items that were:
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Voting instructions	Breakdown as percentage of votes cast
For (supporting) management recommendations	
Against (opposing) management recommendations	
Abstentions	

0%

LEA 23.3

For the reporting year, describe your approach towards voting on shareholder resolutions.

Our external provider ACSI, provides and analysis of shareholder resolutions on a case-by-case basis in the Australian market.

ACSI will generally favour those proposals that result in the disclosure of information that is useful to shareholders and not overly prejudicial to their commercial interests.

Resolutions should be linked to improved governance or transparency within the relevant company. A judgment on each proposal will be based on what is in the best interest of shareholders, and a thorough assessment of any potential impacts on the company.

☐ No, we do not track this information

LEA 23.4

Additional information.

Note: Section LEA 23.1 is difficult to put together as the reporting framework is asking for aggregate statistics across all of our listed equities (domestic and international). Below is a summary of our Australian and International equity voting over the 2013/14 financial year end period.

Summary for Australian Equity Voting for Financial Year Ending 30 June 2014

- * Voted on 1,618 resolutions at 311 company meetings across a number of categories.
- * From total resolutions, 44% related to Director Elections, 36% Remuneration proposals, and 7% to Capital or Company structures with the remaining across various shareholder related items.
- * 89% of voting was for proposed resolutions
- * 9% of voting was against proposed resolutions
- * 91% of voting was with management proposals
- * 8% of voting was against management proposals

Summary for International Equity Voting for Financial Year Ending 30 June 2014

Voted on 11,264 resolutions at 814 meetings across a number of categories.
From total resolutions, 60% were Directors Related, 16% Routine Business, 10% Non-Salary Compensation, 6% Capitalization with the remaining across various shareholder related items.

- * 90% of voting was for proposed resolutions
- * 8% of voting was against proposed resolutions
- * 93% of voting was with management proposals
- * 6% of voting was against management proposals

LEA 24

Voluntary

Descriptive

PRI 2

LEA 24.1

Indicate if your organisation directly or via a service provider filed or co-filed any shareholder resolutions during the reporting year.

☐ Yes

☒ No

LEA 25**Voluntary****Descriptive****PRI 2****LEA 25.1**

Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year.

☒ Add Example 1

Topic or ESG issue	G - Remuneration
Decision made by	<input type="checkbox"/> Internal staff <input checked="" type="checkbox"/> Service provider
Objectives	Ensure alignment of executive and shareholder interests, and appropriate board oversight.
Scope and Process	<p>ACSI provided our fund with voting advice on remuneration related resolutions at each ASX200 company. (At least one remuneration vote is held each by each company per year.)</p> <p>See below for information on the process.</p>
Outcomes	<p>Among the larger ASX200 companies, ACSI opposed 62 (around 15%) of all resolutions. In all cases, ACSI wrote to the companies explaining its rationale and often follow up meetings were held. Of the priority companies, around 75% of the issues were at least partly resolved.</p>

☒ Add Example 2

Topic or ESG issue	G – Board composition and accountability
Decision made by	<input type="checkbox"/> Internal staff <input checked="" type="checkbox"/> Service provider
Objectives	<p>Broadly, there are two objectives:</p> <p>(1) Ensure appropriate board composition, including a majority of independent directors.</p> <p>(2) Ensure board accountability to shareholders for past</p>
Scope and Process	<p>ACSI provided voting advice for 522 resolutions related to boards in the ASX200 (as well as around 50% more such resolutions for the next 100 largest companies).</p> <p>See below for information on the process.</p>
Outcomes	<p>Among the ASX200, ACSI opposed 52 (around 6%) of resolutions. In all cases, ACSI wrote to the companies explaining its rationale and often follow up meetings were held. Of the priority companies, around 25% of the issues get at least partly resolved.</p>

☒ Add Example 3

Topic or ESG issue	G – Capital raising practices
Decision made by	<input type="checkbox"/> Internal staff <input checked="" type="checkbox"/> Service provider
Objectives	<p>Ensure that companies undertake capital raisings in a way that gives existing shareholders the ability to participate or to be adequately compensated for dilution.</p>
Scope and Process	<p>ACSI provided voting advice or information for 55 resolutions related to capital raisings in the ASX200.</p> <p>See below for information on the process.</p>
Outcomes	<p>Among the ASX200, ACSI opposed 4 (around 6%) of resolutions. ACSI wrote to the companies explaining its rationale and often follow up meetings were held. Of the priority companies, around two thirds of the issues get at least partly resolved.</p>

☒ Add Example 4

Topic or ESG issue	G – Selective Buybacks
Decision made by	<input type="checkbox"/> Internal staff <input checked="" type="checkbox"/> Service provider
Objectives	Ensure that companies undertaking selective share buybacks do so in a manner that does not adversely affect other shareholders.
Scope and Process	There was one notable instance predominantly through the Woodside Petroleum buyback during the year. ACSI engaged with the company and members to give them sufficient information to make a decision.
Outcomes	The resolution was defeated as it did not meet the 75% threshold.

- ☐ Add Example 5
- ☐ Add Example 6
- ☐ Add Example 7
- ☐ Add Example 8
- ☐ Add Example 9
- ☐ Add Example 10

LEA 25.2 Additional information.

ACSI makes all proxy voting recommendations in accordance with the Governance Guidelines which are created and approved by its member funds. The guidelines are available on the ACSI website:

<http://acsi.org.au/acsi-guidelines23/acsi-governance-guidelines.html>

ACSI informs companies of its voting recommendations before the meeting where possible, or after the meeting. ACSI frequently meets companies whose resolutions it opposed.

Communication

LEA 26

Mandatory

Core Assessed

PRI 2,6

LEA 26.1 Indicate if your organisation proactively discloses information on your voting activities.

- ☒ We disclose it publicly

provide URL

<https://www.visionsuper.com.au/about-us/fund-information/pooled-super-key-fund-information>

LEA 26.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- ☐ Yes
☒ No

LEA 26.3

Indicate the voting information your organisation proactively discloses to the public.

Indicate how much of your voting record you disclose

- ☒ All voting decisions
☐ Some voting decisions
☐ Only abstentions and opposing vote decisions
☐ Summary of votes only

Indicate what level of explanation you provide

- ☐ Explain all voting decisions
☐ Explain some voting decisions
☐ Only explain abstentions and votes against management
☒ No explanations provided

LEA 26.4

Indicate how frequently you typically report voting information to the public.

- ☐ Continuously (primarily before meetings)
☐ Continuously (soon after votes are cast)
☐ Quarterly or more frequently
☒ Between quarterly and annually
☐ Less frequently than annually
☐ Other, specify

LEA 26.5

Indicate the voting information your organisation proactively discloses to clients/beneficiaries.

Indicate how much of your voting record you disclose

- ☒ All voting decisions
☐ Some voting decisions
☐ Only abstentions and opposing vote decisions
☐ Summary of votes only

Indicate what level of explanation you provide

- ☐ Explain all voting decisions
- ☐ Explain some voting decisions
- ☐ Only explain abstentions and votes against management
- ☒ No explanations provided

LEA 26.6

Indicate how frequently you typically report voting information to clients/beneficiaries.

- ☐ Continuously (primarily before meetings)
 - ☐ Continuously (soon after votes are cast)
 - ☐ Quarterly or more frequently
 - ☒ Between quarterly and annually
 - ☐ Less frequently than annually
 - ☐ Other, specify
- ☐ We disclose it to clients/beneficiaries only
- ☐ We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries