

Proxy Voting Report 2023-24

Building futures and protecting what matters

SUNCORP 

Our approach

Suncorp recognises that being an active owner and voting on proposals in which we have a proxy interest contributes to longer term value for our shareholders and customers. Our voting is based on Suncorp's Proxy Voting Principles (the Principles) and associated rules, which are derived from Suncorp's Corporate Sustainability Principles and Responsible Investment Policy.

During the 2024 financial year, whilst the Principles remained unchanged, we reviewed and refined our voting rules regarding Board diversity (as reflected by female % representation on the Board). Our revised voting rules require a company's level of Board gender diversity to be closer to current listing standards by region (increasing the requirement for each gender on the Board to at least 20% in Australia and the UK, and 15% in the US).

During FY24 we also continued to review voting positions on proposals with specific issues being raised in key areas such as governance, disclosure, climate and human capital, ensuring alignment with our Responsible Investment Policy.

Proxy Voting Principles

The Principles inform the standing orders and rules that are provided to our appointed proxy adviser (CGI Glass Lewis) and are based on Suncorp's Corporate Sustainability Principles and our responsibilities to shareholders and customers.

These are:

- Vote in accordance with the long-term creation of shareholder value.
- Vote to protect the rights of shareholders: one share – one vote – one dividend.
- Vote to promote Board structures that are independent, efficient and diverse.
- Vote to promote transparency: accurate, adequate and timely disclosure.
- Vote to promote good corporate citizenship, environmental and social responsibility.

Proxy Voting Governance

Suncorp's voting process continues to be based on a set of standing instructions or rules which go to the proxy voting adviser. These rules establish Suncorp's voting position, however for resolutions not covered by a rule, the proxy adviser recommendation will generally determine the vote. We continue to review the recommendations from the proxy adviser in particular where the proposal relates to an ESG related issue where a gap has been identified by the proxy adviser and warrants consideration of the company's policy and strategy. Suncorp also reviews votes where additional relevant research is provided by our investment managers prior to execution if this is contrary to the advice of our proxy adviser.

Summary of Voting Activity

During FY24, Suncorp voted at 237 meetings on 2,237 resolutions across 22 countries, which was 100% of all resolutions for the companies in which we invest. This includes abstaining on 0.3% of votes (6 resolutions) due to conflicts of interest in matters related to capital raisings and Suncorp director elections to other Boards.

Australian share voting – Suncorp’s approach in the past year

During FY24 Suncorp voted at 122 Australian company meetings and on 698 individual proposals. We voted against 63 management initiated proposals (or 9.1% of total management proposals), broadly in line with FY23. This largely reflected Suncorp’s voting principles in relation to matters contributing to inadequate Board independence, and weaknesses in governance and remuneration practices.

The most common reasons for voting against management were:

- Election or re-election of Board directors, particularly involving lack of independence
- Remuneration structure and policy (given proxy recommendations and research)

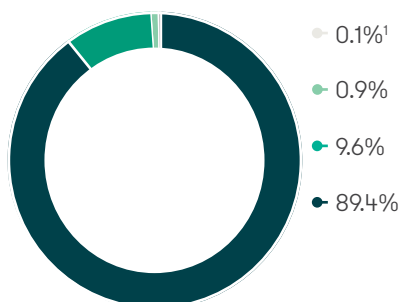
We abstained on six Australian management proposals, on conflict of interest grounds, in cases related to participation in capital raisings by our external managers or due to a Suncorp director being elected to a Chair position of another Board.

During FY24 the number of Australian shareholder resolutions for companies we invested in fell again significantly to just 4 proposals from 15 in FY23 (a trend seen over the last 4 years). Suncorp’s voting on these resolutions, which related to climate commitments and actions for two Australian banks, was based on proxy research and advice indicating that in each case adequate progress was being made in relation to issues raised and therefore support for the resolution was not warranted.

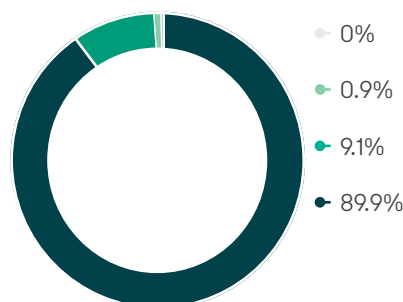
Particular considerations were:

- Evidence of good governance and leadership through transparency and disclosure on company policy and strategy
- Ongoing actions indicating effective management of material climate and environmental risks

Australia – total votes



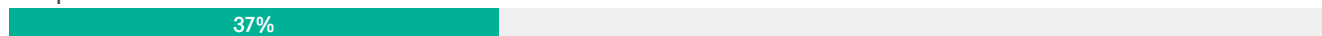
Australia – votes on management resolutions



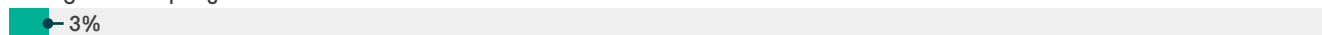
■ For ■ Against ■ Abstain ■ Mixed

Australia – votes against management % by category

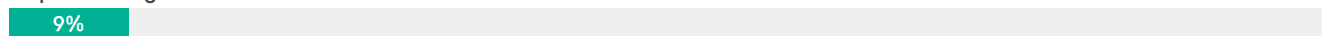
Compensation



Changes to company statutes



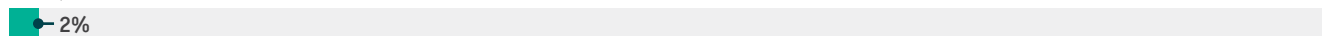
Capital management



Board related



Audit/financials



1. Proposals rejected, withdrawn or not determined.

International share voting – Suncorp’s approach in the past year

Our international proxy voting activity during FY24 continued at similar levels to the previous year, with Suncorp voting at 115 meetings and 1539 proposals for the companies in which we invested.

Suncorp voted against international management proposals on 151 occasions (or 10.5% of total proposals) which was close to the FY23 level. The most common reasons Suncorp voted against management resolutions were:

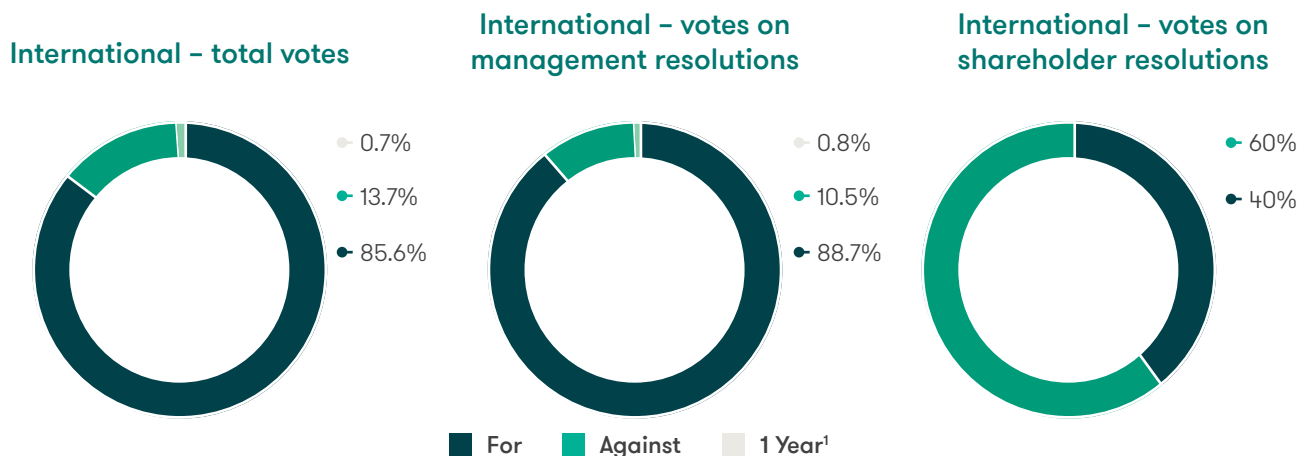
- election or re-election of directors, in particular involving lack of independence
- remuneration structure and policy (given proxy research and advice)

In contrast to Australia, the number of international shareholder proposals remained high during FY24 at 100 proposals (equivalent to FY23 levels). Suncorp voted in favour of around 40% of these resolutions (up slightly from 36% during FY23). These were also a contributor to total votes against management, in cases where management was opposed to the shareholder resolution.

The shareholder resolutions Suncorp voted in favour of were in the areas of:

- improved climate reporting and transparency
- changes to increase the level of Board independence
- additional disclosure on human capital and human rights practices; and
- increased transparency on political spending and lobbying activities where company disclosure or policy could be improved.

Suncorp voted against international shareholder proposals where companies had already demonstrated policy and practice (in line with peers) on the issues being raised, or where the risk identified by the proposal was not considered material for shareholders.



International – votes against management

Shareholder proposals: social and other

12%

Shareholder proposals: governance

6%

Shareholder proposals: environment

2%

Compensation

23%

Changes to company statutes

2%

Capital management

3%

Board related

48%

Audit/financials

4%

1. Suncorp vote in favour of establishing term limits for Board of Directors to be 1Yr in line with proxy advice.

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