Responsible Investment Policy

Approval State	Approved by the Board on 20 May 2020
Version	1.0
Replaces Version	New document
Next Review	February 2022
Owner	The Investment Team

This document is current as at 27 February 2020

Table of Contents

1. Introduction

The overall objective of Togethr Trustees Pty Ltd (the Trustee), the Trustee of the MyLifeMyMoney Superannuation Fund and the Equip Superannuation Fund (the Funds), is to maximise the retirement income for members.

The Trustee recognises that Environmental, Social and Governance (ESG) issues are factors which may influence whether this objective is met. The integration of ESG issues, and the application of Responsible Investment (RI) practices, into the management of our investment portfolios is consistent with our overall investment beliefs. This approach will enhance the risk adjusted returns for our members over the long term.

The Trustee's primary focus is on optimizing members' long-term investment returns, and hence, retirement outcomes. At the same time, the Trustee believes that the welfare of members in retirement will be influenced by the environmental and social aspects of the world in which they live. Accordingly, all other things being equal, the Trustee will be inclined to favour investments which contribute to positive environmental and social outcomes and will be inclined to avoid investments which have the opposite impact.

1.1 Purpose

The purpose of this Policy is to outline the Trustee's commitment and approach to Responsible Investment and is applied across all funds which the Trustee has oversight of. The Trustee believes, as stewards of the assets entrusted to us, that excellence in investment governance enables us to add value to our member retirement outcomes. As such, this Policy forms an integral part of our investment governance framework.

1.2 Policy Application

This Policy applies to all related entities of the Trustee Company.

2. Roles and Responsibilities

2.1 The Board

The Board of the Trustee Company is ultimately responsible for the establishment, implementation and oversight of the Responsible Investment Policy.

The Board is responsible for approving this Policy.

2.2 The Investment Committee

The Investment Committee is responsible for overseeing the Policy and reporting any issues to the Board.

The Investment Committee is also responsible for reviewing the Policy and recommending changes for the Board to review and approve.

2.3 The Chief Investment Officer

The Chief Investment Officer is responsible for reviewing the Policy and recommending changes for the Investment Committee to review.

The Chief Investment Officer is also responsible for monitoring compliance with the Responsible Investment Policy.

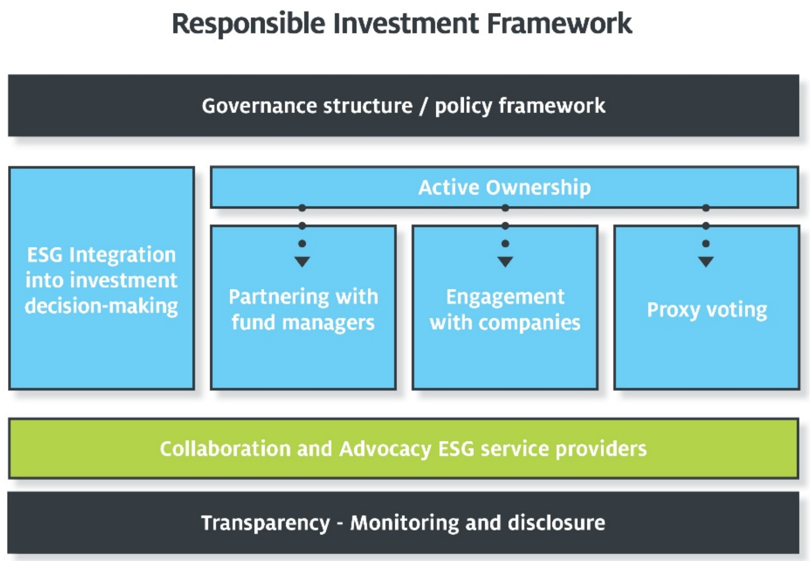
3. Responsible Investment Policy

3.1 Responsible Investment Framework

This Policy outlines the Trustee's commitment and approach to Responsible Investment and is applied across all funds which the Trustee has oversight of. The Trustee believes, as stewards of the assets entrusted to us, that excellence in investment governance enables us to add value to our member retirement outcomes. As such, this Policy forms an integral part of our investment governance framework.

We aim for best practice stewardship which includes the investment governance of ESG issues, active ownership (through voting and engagement) of entities in which we invest and via our managers, industry collaborations and management of climate change implications. Any active ownership must be in accordance with legal and regulatory requirements, including the sole purpose test.

The figure below shows our Responsible Investment Framework:



Role of ESG Integration

Environmental, social and governance issues cover a range of topics.

Environmental – In addition to wider concern about such things as environmental degradation and natural resource use, there is increasing recognition of the threat of climate change to the stability of the global economic and financial system. These risks need to be managed and new opportunities captured as the world transitions to a low carbon economy.

Social – The way in which companies and enterprises manage their operations with respect to labour market practices, work health and safety, product liability and supply chain management (including modern slavery) can pose investment risk. The Trustee is also concerned with issues of social justice and community safety and believes that a company should effectively manage its social licence to operate and social issues must be taken into consideration by fund managers in their investment management process.

Governance – Governance risks are a major long-term threat to investor value and consider such things as board composition, director incentives and general remuneration, diversity and inclusion, and ESG oversight. These risks can be present in nearly all asset classes, including equity, corporate debt, property and infrastructure investments. The Trustee is of the view that, all other things being equal, good governance will tend to be rewarded over the longer term.

ESG factors generally have one or more of the following characteristics:

- Are a focus of public concern;
- Have a medium to long-term horizon;
- May be qualitative and not readily quantifiable in monetary terms;
- Reflect externalities not well captured by market mechanisms;
- Are often the focus of policy and regulatory reform; and
- Can arise throughout a company's supply chain as well as in the production process, marketing, and eventual use of the products and services produced by the company.

The Trustee believes that the incorporation of ESG factors into its investment decision making framework is an essential component in meeting fiduciary obligations to members. The Trustee will seek to address both ESG risks and opportunities in order to achieve long term sustainable growth and better risk adjusted returns without detriment to a well-diversified portfolio.

3.3 Climate Change

The Trustee believes that climate change is a material systemic issue and presents foreseeable and actionable financial risks and opportunities for investors. As such, the Trustee needs to manage implications for the Fund on behalf of members. The Trustee has a Climate Change Position Statement **(include live link)** that addresses our position in further detail.

The integration of climate change investment risk and opportunities into investment decisions is required to shift the global economy and investment markets on to a more sustainable and resilient path and to enhance our members' interests through this transition. We will incorporate climate change considerations and our commitments into our risk management process.

As such the Trustee will seek to assess and understand the investment implications of climate change in its stewardship role in order to achieve sustainable long-term growth for members in their retirement. We will integrate the assessment of climate change into the investment strategy, with regard to both the transition towards a low carbon economy (in accordance with the Paris Agreement) and the physical impacts of climate change.

The Trustee believes that the transition to a low carbon, energy efficient and more resilient world presents both investment risk and new investment opportunities. The Fund seeks to identify new opportunities that are positioned to benefit from the transition provided that they offer attractive risk/return characteristics. This transition is also expected to support the development of new financial products, instruments and partnerships in global investment markets. Consistent with members' best interests, we will support global initiatives to mitigate climate change effects and we will continue to engage through collaborative initiatives and international forums to better understand these developments and the opportunities they present.

Climate change collaboration and engagement

Collaboration with other investors, fund managers, investee companies, regulators and other stakeholders is needed to address the systemic challenges around climate change. Collaborative engagement will better leverage the influence that investors can have in achieving positive outcomes.

We will engage with fund managers and management of directly owned assets to understand and evaluate the extent to which they are considering climate risk and adaptation measures as part of the investment evaluation and asset risk management processes.

We will engage with investee companies to encourage them to better manage carbon risk and to disclose how they are preparing for both the physical and transitional implications of climate change. This may be done directly and/or collectively through fund managers, investor networks and specialist engagement organisations.

Climate change commitments

The Trustee believes that the position of our portfolios in terms of carbon exposure should be monitored, and commits to measure and report the carbon footprint of listed equity portfolios, as we progress towards more comprehensive climate change reporting (including for example, Taskforce for Climate-Financial Disclosures (TCFD) and scenario testing).

In light of the Trustee's investment beliefs with respect to climate change and the risks and opportunities that it presents, we will evaluate and consider investing in strategies that will benefit from the transition to a low carbon, energy efficient, climate resilient future. We will consider strategies across asset classes and evaluate them on the same risk/return criteria and assessment process as applies in respect of other strategies.

The Trustee commits to actively transition our portfolio over time, to ensure our return objectives can be maintained in a low carbon future.

3.4 Screening and Exclusions

The Trustee believes that screening investments to exclude those that fail some measure of ethical, responsible, sustainable or other non-financial criteria can be an appropriate tool in particular cases and the Trustee may implement negative screening or divestment on a case-by-case basis. However, there will be cases where engagement with investee companies can be a better mechanism for managing risk and bringing about positive change in corporate behavior.

Factors that will be considered when assessing the merit of negative screening or divestment include:

- The nature of the company's activities and behavior;
- Perceptions regarding member and community attitudes towards the activities or behaviors in question;
- Whether engagement indirectly via industry initiatives, via asset managers or directly with companies is likely to bring about the desired change; and
- The potential impact of divestment on the investment performance of the Trustee's overall portfolio and the practical considerations of implementation.

Where engagement has, or is likely to fail, the Trustee may decide to exclude certain investments from the portfolio after thorough consideration of legal, financial, investment and ESG related matters in order to protect member interests and the reputation of the Funds.

3.5 Proxy Voting

Exercising voting rights is an important tool for encouraging responsible corporate behavior and expressing views regarding a company's strategy, leadership, remuneration, mergers and acquisitions and its ESG practices and disclosure.

In addition to governance issues, increasingly shareholder led resolutions are focusing on environmental and social issues. In making decisions on voting positions for these resolutions, we consider a range of information including:

- The voting positions and rationales of our fund managers;
- Shareholder resolution supporting statements and company responses;
- Proxy advisor recommendations and rationales;
- The results of company engagements, either directly or indirectly through our fund managers, service providers and/or proxy advisors;
- Company disclosures, including actions already taken and future actions proposed, and how these actions compare to peers;
- Existing regulatory frameworks; and
- The materiality of the issue under consideration for the company/sector.

Our proxy voting policies are publicly available on our websites. These policies outline our approach to voting on resolutions put to shareholder meetings of investee companies.

We report publicly on our voting record via our websites. Periodic reporting to the Board and/or Investment Committee on the Trustee's voting record is also undertaken as per our Proxy voting policies.

3.6 Engagement with Companies

As active owners, we use our ownership rights to engage with and influence investee company's governance, policies and management practices in order to improve investment outcomes. We engage with investee companies in a number of ways including:

- Direct engagement with corporate entities in which the Funds are invested or may become invested;
- Engagement via our fund managers; and
- Engagement via industry initiatives and service provider partners.

Disclosure by investee companies allows investors to better understand, evaluate and assess potential risk and return, including the potential impact of ESG factors on an entity's performance. We support the use of widely accepted third party disclosure frameworks to guide company reporting and support comparability, such as the recommendations made by the TCFD.

3.7 Partnering with Fund Managers

In selecting investment managers, the Trustee is mindful of the general risk characteristics of each asset class and of the investment styles or approaches of each of the managers that it appoints. As part of the manager appointment and review processes, we will assess information on manager approaches to ESG integration and active ownership.

We will share this Responsible Investment Policy with asset managers and seek that they demonstrate a commitment to ESG integration and active ownership and invest in a manner that is consistent with this Policy. We will monitor asset managers stewardship activities and report on how its asset managers integrate ESG and sustainability considerations across portfolio assets.

The asset manager role in engaging with investee companies is important and should be informed by things such as review of company disclosures on ESG and climate change risks and risk management actions. We will seek feedback from managers on company engagements and engagement outcomes.

3.8 Collaboration and Memberships

In keeping with the collaborative emphasis in much of this Policy, the Trustee will seek to join with others to help achieve policy objectives. This includes joining, sponsoring or partnering with like-minded organisations, utilizing professional services, and participating in sector-based collaborative initiatives.

The role of service providers and sector-based collaborations, and the value that they provide, include:

- Increased influence through collective action initiatives;

- Capacity building and raising awareness of ESG issues through such things as sector-related research and sharing best practice;
- Collectively understand and address relevant emerging issues;
- Support the development of ESG-related tools, metrics and analyses;
- Encourage entities in which we invest to manage and report on ESG issues;
- Understanding industry best practice and sector responses to new legislative requirements and/or regulator expectations; and
- Engagement with policymakers in support of regulatory or policy change that enhances integration of ESG factors into investment decision-making and better aligns policy with the financial interests of long-term investors.

We will publicly disclose our affiliation and memberships as part of regular reporting and on our websites.

3.9 Reporting and Transparency

This Policy will be publicly available on our websites.

We will report on the progress made in implementing this Policy, including on how our asset managers and management of direct investments are integrating ESG and sustainability considerations across portfolio assets.

We will disclose our active ownership activities including voting and engagement.

We will seek to make use of our reporting to raise awareness of ESG issues among our broader group of stakeholders.

4. Policy Review

The Trustee will review and update this Policy on a biennial basis.

This Policy may be reviewed more frequently in the event of one of the following triggers:

a) At any time there is a significant change in the business or in any significant part of it;
b) At any time there is a significant change in legislation or regulatory requirements that are relevant to the Policy; and
c) At any other time determined by the Board.

The results of the review will be reported to the Board for approval.