



# Proxy Voting Policy

## Document control

### a. Version control / Revision history

This document has been through the following revisions:

Version	Date of approval	Remarks / Key changes / Reason for update
1	September 2015	Initial Version
1.1	August 2016	Review
1.2	August 2017	Review
1.3	August 2018	Annual Review
1.4	August 2019	Annual Review
1.5	February 2020	Reviewed as part of Governance Framework
1.6	April 2020	Review
1.7	June 2020	Review

### b. Authorisation

This document requires the following approvals:

Authorisation	Name
Initial version	Board
Revisions	Managing Director

## **1. Introduction**

This Policy is based on fiduciary responsibilities to act in the best interest of clients as shareholders. It describes the approach taken by Antipodes Partners Limited (Antipodes) in relation to resolutions put forward at company Annual General Meetings (AGMs) and Extraordinary General Meetings (EGMs).

This policy applies to all relevant employees of Antipodes involved in the proxy voting process. A copy of this Proxy Voting Policy and procedure will be provided to clients upon request.

## **2. Policy statement**

The purpose of the Proxy Voting Policy is to ensure Antipodes acts in the best interests of clients as shareholders of investee companies.

Note: If a segregated account client specifically directs Antipodes in the way a proxy should be voted, Antipodes will use its best endeavours to implement the direction. In the absence of any specific direction from a client, Antipodes will exercise or not exercise its right to vote as it sees fit, having regard to any general directions within relevant investment management agreements and taking into consideration the following in relation to investee companies: material conflicts of interest; strategy; performance; risk; capital structure; environmental considerations; social issues and corporate governance (including culture, diversity and remuneration).

As a matter of course Antipodes may engage with other shareholders in companies that we invest to discuss voting matters. Notwithstanding this, voting decisions will be made independently and in the best interest of our clients as shareholders taking all available information into account.

Antipodes would not enter into any agreement, whether actual or implied, to form a voting block or act in concert.

## **3. Process overview and procedures**

- a) To assist in its decision making, Antipodes has engaged a third-party proxy voting adviser (Institutional Shareholder Services) to provide independent analysis and voting recommendations. Proposed resolutions with explanatory notes are sent to Antipodes by the proxy voting adviser.
- b) For routine proposals the default is to vote in line with the recommendation of the proxy voting adviser unless there is specific rationale provided by the investment team.
- c) Non-routine proposals are considered on a case by case basis. Voting recommendations are approved by the CIO or, in his absence, another member of the portfolio management team. In arriving at a decision on how to vote Antipodes adheres to three main principles:
  - (i) any resolution should treat shareholders equally;
  - (ii) any material conflicts of interest are to be addressed appropriately; and
  - (iii) resolutions should be individual and clearly stated.
- d) Antipodes may raise issues with company management prior to lodging its vote to resolve issues.
- e) Votes are submitted via an online proxy voting system.
- f) Antipodes will maintain a record of all proxy voting on behalf of clients and will report these to clients upon request.

## **4. Routine proposals**

Routine proposals are those which do not affect the structure, by-laws or operations of the corporation to the detriment of shareholders. Given the routine nature of these proposals, proxies

will normally be voted in line with the proxy adviser's recommendation. Routine proposals include, but are not limited to:

- Approval of independent auditors;
- Name changes;
- Election of directors (subject to competency, independence and limited number of board positions); and
- Coupling executive compensation with financial performance.

## **5. Non-routine proposals**

Issues in this category are more likely to increase risk and potentially have a greater impact on shareholder value. Antipodes' main concern is to protect the value of its clients' investments. With this objective in mind non-routine resolutions are carefully considered on case by case basis. These types of resolutions may include, but are not limited to:

- Mergers and acquisitions;
- Restructuring; and
- Corporate governance matters.

## **6. Corporate governance matters**

Antipodes will generally vote against any management proposals that have the effect of restricting the full potential of its clients' investments. These would include but are not limited to:

- Excessive senior executive and non-executive management remuneration;
- Golden handshakes;
- Special interest representation on the board;
- "Over-boarding" of board members;
- Executive share and option schemes that do not reflect:
  - (i) the responsibilities of the executive;
  - (ii) comparability to market practice;
  - (iii) appropriate performance hurdle benchmarks; or
  - (iv) appropriate disclosure;
- Unequal voting rights; and
- Takeover protection – e.g., poison pills – generally involves issuing preferred stock purchase rights or warrants unilaterally declared as a dividend without shareholder participation or approval. Poison pills can be used to insulate existing management against competitive bids.

## **7. Monitoring companies**

This section of the Proxy Voting Policy should be read in conjunction with Antipodes' Responsible Investment Policy.

Throughout the life of an investment, Antipodes' investment team continuously monitor each investee company through independent research, quantitative analysis, proxy voting advice, our in-depth knowledge and our proprietary screening tools.

Companies held within Antipodes' portfolios are monitored on both their qualitative and quantitative attributes, their current and long-term business objectives and risks. Companies are also monitored

on the basis of their environmental, social and governance ratings (as measured by external specialists), standards and approaches.

## **8. Engagement with companies**

This section of the Proxy Voting Policy should be read in conjunction with Antipodes' Engagement and Responsible Investment Policies.

Engagement is an integral part of Antipodes' investment process. As active owners, engagement provides us the opportunity to make a positive contribution to investee companies. Antipodes may enter into dialogue with a company to voice concerns in relation to actions or directions a company is taking in relation to performance, strategy, corporate governance, environmental and social considerations and other matters affecting shareholders' interests.

The methods of engagement employed may include:

- Meetings with management or Board members;
- Phone or video calls;
- Emails;
- Letters; and
- Voting.

## **9. Conflicts of interest**

This section of the Proxy Voting Policy should be read in conjunction with Antipodes' Conflicts of Interest Policy.

There may be instances where Antipodes' interests conflict, or appear to conflict, with client interests. Antipodes' duty is to vote proxies in the best interests of its clients and in accordance with this policy.

If an employee of Antipodes detects a material conflict of interest in connection with voting on the resolutions, then the employee should escalate the matter to the CIO and Pinnacle Risk & Compliance to determine the steps to manage the conflict or potential conflict if required. Possible resolutions may include:

- a) Vote in accordance with the recommendations of a third-party research provider; or
- b) Refrain from exercising its proxy voting rights; or
- c) Disclose the conflict to the client and obtain the client's direction to vote the proxies.

## **10. Class actions**

Antipodes does not direct clients' participation in class actions. The CIO will determine whether to return any documentation inadvertently received regarding clients' participation in class actions to the sender, or to forward such information to the appropriate clients.