



Responsible Investment 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	June 2020	Evolution to Responsible Investment Policy

b. Authorisation

This document requires the following approvals:

Authorisation	Name
Initial version	Board
Revisions	Managing Director

Note:

This Responsible Investment Policy should be read together with Antipodes' Engagement and Proxy Voting policies.

1. Introduction

The governance of a company has long been established as a major factor impacting potential and actual company financial performance. It is also widely accepted that environmental and social issues faced by a company may impact longer term investor outcomes. Antipodes recognises its responsibilities to its clients, shareholders and employees as well as to the community and the environment and actively considers these risks as part of their investment process. This policy applies to all relevant employees of Antipodes involved in the investment research and investment implementation processes. A copy of this Policy will be provided to clients upon request.

2. Policy statement

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

Antipodes are pragmatic value investors who specialise in global shares. Our goal is to grow our clients' investment while maintaining a strong focus on capital preservation.

As active managers, we are unconstrained by an index and not led by the erratic sentiments that drive activity in the markets. Instead, we focus on the opportunities that are revealed by a close scrutiny of industry and business cycles, as well as the structural changes and the socio/macroeconomic forces that shape the future of the companies in which we may choose to invest.

We build high conviction portfolios of at least 30 stocks. Such careful selection, we believe, enables us to outperform the market over a three to five-year period while softening the effects of unexpected volatility along the way.

Antipodes' investment process includes the consideration of Environment, Social and Governance (ESG) principles to the benefit of our investors. This also contributes more broadly to efforts to build a more stable, sustainable and inclusive global economy.

Antipodes combines quantitative ESG benchmarking with a pragmatic, case by case qualitative approach to assessing individual corporate ESG performance. In a quantitative sense, we integrate ESG ranks into the investment process (screens, stock/industry research notes and portfolio scores). This includes company-level measurements of greenhouse gas (GHG) emissions to understand and benchmark our portfolio's carbon intensity.

In our candidate investments, as a threshold, we generally look for minimum acceptable standards, peer group leadership and a high level of disclosure or, in areas of weakness, evidence of improvement. In instances where our investment process identifies that a company is not meeting minimum acceptable standards, we may look to engage with the company and influence its thinking with respect to these matters. In instances where we believe a company demonstrates wilful disregard for ESG principles and show no credible plans to improve, we may choose to avoid or divest.

In this sense, companies responsible for the manufacture, production or distribution of goods and services harmful to human health and wellbeing are excluded from the portfolio, e.g. tobacco.

Our ESG data is sourced from a variety of providers including Sustainalytics, Institutional Shareholder Services (ISS), Bloomberg, the CDP (formerly the Carbon Disclosure Project) and the Transition Pathways Initiative (TPI).

Each year Antipodes Partners publishes an ESG review of issues that have emerged throughout the prior year detailing examples of both positive and negative ESG activities within our portfolio or stocks under consideration.

Implementing our ESG policy

We use both quantitative and qualitative analysis in holistically assessing a company's ESG risks. Given the differing risks between sectors, we avoid overly simplistic single quantitative summary ranking.

Within our investment process we highlight company and sector relevant ESG risks and consider the potential impact from these ESG risks on any investment. Where we believe management has not provided a pathway to best mitigate ESG risks, we are active owners and we engage with companies on different ESG issues and seek to improve disclosure where relevant. Please refer to our Proxy Voting and Engagement policies for more details.

Antipodes' Chief Investment Officer, Jacob Mitchell, has ultimate decision-making responsibility for ESG related matters with respect to the investment portfolio. The responsibility of incorporating ESG into the investment process sits with the Investment Team and ultimately the CIO. Investment Analysts and Sector Heads are responsible for identifying and assessing relevant ESG factors and discuss these factors in each investment case. Additionally, recognising the importance of ESG, we include this as a component of variable compensation for the investment team.

Our ESG activities also include our participation in collaborative initiatives including the United Nations supported Principles for Responsible Investment ("PRI"), the CDP (formerly the Carbon Disclosure Project) and the Transition Pathways Initiative ("TPI").

As a company, we also commit to implementing many of these best practises to reduce our environment impact through our Corporate Social Responsibility and Internal Best Practices policies (which are included as an addendum to this document).

The following section highlights some of the ESG factors we consider in our investment process.

3. Environmental

As a general framework, we evaluate individual companies on the following basis:

- Approach to matters of environmental concern with respect to their product design, business practices, distribution and supply-chain
- Degree of environmental awareness in long-term business planning, including reference to standardised climate models
- Use of benchmarks to ensure environmental practices are aligned with minimum industry standards, e.g. CO2 emissions, use of renewable energy sources, implementation of ISO 14001, etc.

4. Social

As a general framework, we evaluate individual companies on the following basis:

- Level of respect for the company as an employer, customer and supplier
- Pro-active approach to workplace relations, employee diversity, health and welfare of employees
- Degree to which company products or services are harmful to human health and wellbeing
- Engagement in charitable and/or other community welfare activities
- Cultural sensitivity across all regions of operation.

5. Governance

As a general framework, we evaluate individual companies on the following basis:

- Degree of open disclosure and transparency in business practices and financial reporting

- Board of Directors' diversity, independence and accountability
- Board of Directors' track record of representing the interests of minority shareholders
- Degree to which compensation practices are transparent and aligned with long-term shareholder value creation

6. Memberships

In March 2020 Antipodes became a signatory to the UN-supported Principles of Responsible Investment ("PRI"). Antipodes is also an investor signatory to the CDP (formerly the Carbon Disclosure Project) and supporters of the Transition Pathways initiative ("TPI"). Our participation with these organisations indicates our commitment to continued progress in environment, social and governance risk mitigation, assessments, and actions.

Addendum

1. Corporate Social Responsibility and Internal Best Practices

As well as holding companies to account with respect to sound ESG practices, we seek to conduct our own business operations with the utmost respect for the environment, to be socially minded and adhere to a robust and transparent governance framework. We believe we can pursue the dual mandate of delivering excellence for our stakeholders while being an organisation that demonstrates the highest standards of corporate citizenship. To this end, we seek to undertake the following actions:

Environmental:

- Pay carbon credit for all business travel flights
- Support all possible recycling initiatives, including office stationery, printer cartridges, waste products, etc.
- Minimise non-essential energy consumption particularly in out-of-hours work
- Purchase “green” office stationery products, where possible

Social:

- As a business, commit to one week per year (approximately 50 hours) of community and/or charitable causes
- Be respectful of culture, race and religion amongst our staff, clients and suppliers
- Support the ongoing training and education of employees
- Encourage wellness and physical activity among employees
- Encourage participation in the Corporate Giving Program

Governance:

- Provide timely and transparent reporting of our business dealings and client outcomes
- Adhere to a strict policy of putting client interests ahead of our own
- Implement a remuneration policy which rewards outstanding achievement and is tied to client outcomes and business development goals

2. Active Social Engagement

Antipodes’ major charity partner is ReachOut Australia. ReachOut is Australia’s leading provider of online mental health support to young people and their parents. The organisation helps more than 1.6 million young people each year to take charge of their mental health and wellbeing through digital self-help tools, tips and referrals which are relevant and trusted.