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# ANTARES PROXY VOTING POLICY

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Antares Capital Partners Ltd

<b>Policy Name</b>	Antares Proxy Voting Policy
<b>Version</b>	November 2023
<b>Effective Date</b>	30 November 2023
<b>Next Review Date</b>	November 2024
<b>Policy Owner(s)</b>	Nick Pashias, Head of Equities, Antares Equities
<b>Issuing Department</b>	MLC Asset Management
<b>Details of Policy Approval Authority</b>	The Directors of Antares Capital Partners Ltd

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## ANTARES PROXY VOTING POLICY

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### Introduction

Shareholder voting is a means by which shareholders can influence a company's operations, its corporate governance and activities of social responsibility. Proxy Voting is where a vote is cast on behalf of a shareholder.

### Application

This Policy applies to Antares Capital Partners Limited ("Antares") in its capacity as an investment manager of portfolios owned by discretionary managed clients, where Antares' relationship with these clients is governed by an Investment Management Agreement ("IMA") and Antares is authorised to recommend or cast proxy votes.

### Proxy Voting Principles

Antares represents its clients in matters of corporate governance through the proxy voting process. The process is designed to protect and enhance the investment value of our portfolios' share investments, recognising the strong link between good corporate governance and investment value. Antares applies the Financial Service Council ("FSC") Standard 13 *Voting Policy, Voting Record and Disclosure* to its operational processes where applicable.

The guiding principle when Antares votes on a resolution is that our voting decisions must be in the best interests of our clients. Antares believes that corporate governance creates the framework within which a company can be managed in order to provide the greatest possible long-term return.

Antares general position with regards to corporate governance is reflected below:

#### 1. Long Term Value

- We believe that there is a strong connection between good corporate governance and the creation of long term shareholder value. Therefore, we believe that the Board of Directors should be held accountable for ensuring high standards of corporate governance.
- Antares supports the re-election of directors where long term, sustainable financial performance has been sound.

#### 2. Remuneration - Alignment of Management and Shareholder interests

- Remuneration paid to management should be linked to company performance to align to shareholder interests of seeking increased value for their investment. There should be an appropriate balance between performance based short term and long term incentives in addition to base salary for management and employees.
- In order that executive directors are not in a position to decide their own pay, companies should establish remuneration committees comprising only independent non-executive directors.
- Companies should make full disclosure of all remuneration paid to directors including the remuneration committee's justification for large pay rises, in a timely manner.

#### 3. Board Size and Composition

- Board size and composition is important. Board size should be reflective of the size and complexity of the company. There should be a sufficient number of directors to ensure that depth and breadth of experience, diverse background and skills exists amongst the independent directors.
- The board should include independent directors of sufficient calibre and number for their views to carry significant weight in board decisions.
- The board should have a demonstrated process of renewal.

#### **4. Independence**

- Independent directorship is key in order for the board to make objective decisions which protect shareholders and create value over the medium to long term.
- In reviewing directors' independence, there should be no familial or material business relationship with the company executives and other directors which would impact the director's decisions or create a material conflict of interest.
- Where there is a perceived lack of independence, there needs to be a demonstration of strong alignment of the board/management with shareholders.

#### **5. Effective Disclosure**

- Information impacting operations and financial performance should be disclosed in a timely and transparent manner. This includes performance metrics used to determine executive compensation and why these metrics have been used.

#### **6. Board responsiveness to Shareholder concerns**

- Where there has previously been a significant number of shareholder votes against a meeting proposal, the board should take action to address shareholders' concerns by performing an appropriate level of engagement to identify the underlying issues which will be representative in management's recommendations.

#### **7. Independent Auditors - Fees**

- In view of the importance of maintaining an objective and professional relationship between directors and auditors, it is fundamental that the independence of the audit be preserved. Large fees paid to auditors for non-audit work may compromise their independence.
- The Audit Committee should be responsible for determining the tenure of all auditor appointments. Antares strongly encourages the appointment of auditors to include a rotation of partners during the term.

#### **8. Voting Policy on Environmental Reporting**

- Antares will consider sustainability issues such as corporate stewardship and human capital, along with environmental, social and ethical issues when casting proxy votes.

#### **9. Other Principles**

Antares also considers:

- Best practice standards of corporate governance such as the Financial Services Council Bluebook, the ACSI (Australian Council of Superannuation Investors) Guidelines and the ASX Corporate Governance Council recommendations when considering the voting decision and reviews its processes on an ongoing basis.
- Historical data on previous resolutions and company policy/practices

Antares utilise the services of CGI Glass Lewis to supply proxy voting material (Disclose Notes, Engagement Activities, Proposal Summary/Recommendation) to Antares & other subscribers. Antares independently utilises its own research in line with the material from Glass Lewis to form its proxy voting decisions.

### **Proxy Voting Policy**

Antares will assess and vote all proxies (which may include abstaining) for every resolution in respect of holdings managed by Antares in companies publicly listed in Australia, excepting entities for which Antares has no discretion

to vote. That is, Antares aims to vote at 100% of the annual and extraordinary shareholder meetings for Australian listed companies held in our portfolios and where we have the voting authority under the applicable IMA to do so.

Antares' decision to assess and vote all proxies in which we have discretion to vote represents a large commitment to encouraging these companies to be accountable for their actions and to uphold good corporate governance. Every resolution is considered and voted upon according to this Proxy Voting Policy.

Antares believes that, where it is able to exert influence on corporate policies through discussion with company management and the exercise of proxy voting rights, we aim to achieve our goal to enhance shareholder returns. Antares is not legally permitted to vote in respect of holdings of Insignia Financial Ltd (IFL) shares held on behalf of its clients as IFL is a related body corporate of Antares.

## **Consideration of Contentious Matters**

The proxy voting approach places an emphasis on contentious shareholder resolutions. In considering contentious proxy voting items, Antares will seek advice from a range of sources including:

- Independent advisors
- Antares Portfolio Managers
- Market information

Antares takes into consideration market information and reports from independent corporate governance groups such as Glass Lewis & Co. that provide comprehensive details on the following:

- Resolution background
- Analysis and commentary
- Discussions with company representatives
- Voting recommendations

Contentious issues can include (amongst other things) any of the following:

- Executive remuneration, including whether there are any performance hurdles to be met (share price or company specific), the options/shares/rights are granted at an unreasonable discount to market price, and whether retention incentives are being offered
- Option issue resolutions where the hurdles are not relative (absolute share price only), or hurdles not clearly stipulated, or measurable
- Option issues for non-executive directors
- Changes to the voting rights of ordinary shareholders
- New share issues or placements if the rights or standing of existing shareholders are impacted
- Takeovers, schemes of arrangement and business restructures
- Share buy-backs, if preference is given to any shareholder or group of shareholders over others.
- High profile general meetings
- Group shareholder action
- Re-election of directors and board composition

## **Record Keeping and Disclosure**

On an annual basis, Antares will disclose a summary of its proxy voting statistics on the Antares website in accordance with FSC Standard 13. As detailed in the Application section, this disclosure will only cover Antares in its capacity as investment manager of portfolios where it's authorised to recommend or cast proxy votes.

This Proxy Voting Policy is also available on the Antares website.

## Policy Review

Any change to this Policy requires the approval of the Antares Board of Directors. This Policy is to be reviewed at least annually.

### HISTORY OF AMENDMENTS

Version	Approved/Endorsed by:	Date Approved	Amendments	Effective Date
Nov 2023	Antares Board	30 November 2023	Update wording re change in RE	30 November 2023
Oct 2022	RE & IPDS Board	11 November 2022	Replacement of 'NAB' with IFL  Clarification of capacity in which Antares operates for this policy – investment manager, Responsible Entity and Trustee or investment manager and Responsible Entity and Trustee  Inclusion of additional wording regarding Scheme Operators	11 November 2022
Mar 2020	RE & IPDS Board	12 March 2020	Change to clarify the Policy's scope  Changes to clarify some of the voting criteria.  Change the review cycle to annual to conform with FSC Standard 13.  Change to Policy owner	12 March 2020
Mar 2018	RE & IPDS Board	8 March 2018	Changes to align with the NAB Wealth Proxy Voting Policy	8 March 2018
Prior	Compliance Manager	April 2016		