

## ENGAGEMENT POLICY

### BARWON INVESTMENT PARTNERS PTY LTD

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**Date: 28 August 2020**

#### Introduction

This policy describes the approach of Barwon Investment Partners Pty Ltd (hereinafter 'Barwon', 'our', 'we', 'us') to shareholder engagement where we invest for our funds in shares of companies with a registered office in an EU member state and whose shares are admitted to trading on an EU regulated market ('traded shares of EU companies').

The policy has been written in accordance with the requirements of Directive (EU) 2017/828 and its implementing measures (together, the "Shareholder Rights Directive II").

The investment decision-making, monitoring and engagement activity for traded shares of EU Companies is undertaken in the discretionary investment management for various funds managed by us.

The degree of engagement with investee companies and the voting will be determined with reference to the objectives of the fund and to best serve the interests of our investors.

#### Engagement Approach

The oversight and engagement with investee companies and issuers of securities forms a critical part of our investment process. We believe corporate governance and environmental, social and governance (ESG) factors have a direct impact on companies' financial returns and indeed the sustainability of those returns.

Our engagement approach is proactive. We regularly meet with the senior executives, investor relations teams, Board members and other stakeholders of potential and current investee companies. Our objective is to understand corporate governance structures in place and assess their appropriateness and effectiveness in achieving desired shareholder outcomes.

We seek to raise corporate governance, ESG and other issues with companies when we believe it to benefit the company, its shareholders and our investors.

#### Collective Engagement

We may at times cooperate with other shareholders or stakeholders when engaging with companies and other issuers if we believe it would enhance the outcomes of our engagement.

#### Voting Rights and Voting Disclosure

As a general philosophy, Barwon will use voting powers to influence companies to adopt generally accepted best corporate governance practices in areas such as board composition, disclosure policies, executive remuneration and conflicts of interest. Typically:

- Barwon will vote in line with Board recommendations on any non-contentious resolutions; however,
- Barwon will vote against any resolutions that will reduce the rights or options of shareholders, reduce shareholder influence over the Board or management, reduce the alignment of interests between management and shareholders, or reduce the value of shareholders' investments.

Resolutions are assessed by our investment team. When the resolution appears contentious, we may engage with the company to improve our understanding of a proposed resolution or to express our views regarding the resolution.

### **Conflicts of Interest**

Barwon takes all reasonable steps to identify, mitigate and manage various conflicts of interest. Potential conflicts of interest associated with exercising voting rights and engagement with investee companies and other issuers is carefully considered.

Our firmwide Conflicts of Interest policy covers the following categories of transactions, events and parties:

- Barwon directors,
- Barwon risk and compliance committee and delegate committee members,
- Related parties,
- Resource providers used to conduct the business of Barwon,
- Remuneration of Barwon,
- Soft dollar commissions,
- Trading in securities of Barwon products,
- Significant transactions where Barwon has roles in relation to the target entity and the bidder,
- Investment in own products,
- Financial benefits from scheme property paid to related parties, and
- Ownership interest by personnel in service providers to Barwon

### **Review**

This Engagement policy will be reviewed at least annually, and is available on Barwon's website.