



Engagement Policy

Antipodes Partners Limited

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	June 2020	Initial version
1.1	December 2021	Annual review
1.2	February 2023	Bi-annual review

b. Authorisation

This document requires the following approvals:

Authorisation	Name
Initial version	Board
Revisions	Managing Director

Note:

This Engagement Policy should be read in conjunction with our Responsible Investment and Proxy Voting policies.

1. Introduction

Asset owners and their investment managers are uniquely able to influence change in listed companies via their shareholdings.

Engagement is an important part of Antipodes' investment process. As active owners, engagement provides us the opportunity to share our philosophy and corporate governance values and make a positive contribution to investee companies. Furthermore, engagement improves decision making through both risk-mitigation as well as providing us with a deeper and different perspective on how the company operates which we believe will improve stakeholder outcomes.

The topics of engagement are diverse – spanning from encouraging best practise in terms of corporate environmental, social and governance, to sector and company specific corporate issues and strategies. As such, we consider topic appropriate engagement as critical in engagement and avoid a single predetermined approach. We focus on outcomes, and depending on the situation, we focus on addressee, frequency, method and design of the engagement.

2. Process overview

The Engagement Policy covers all our equity exposures. Our engagement initiatives are designed to optimise our ability to affect outcomes and enhance our investment decision-making.

We follow the principles below when considering and implementing our engagement with companies.

- Addressee: To whom should the engagement be addressed.
- Frequency: The regularity with which we believe the topic of engagement necessitates.
- Method: The medium through which engagement should take place.
- Design: The topics and Antipodes employee responsible for the engagement.

All these principles are considered in implementing effective engagement.

Addressee and Frequency

The nature of the topic and any concerns will dictate the relevant addressee and frequency of engagement. Outlined below are the typical engagement strategies we adopt.

Regular engagement as part of the investment process:

Ongoing engagement forms part of the standard investment process. For example, Antipodes generally meets with the management of prospective investee companies before an initial investment is made. This improves transparency and opens communication between Antipodes and investee companies. These discussions would usually relate to operations, performance, business objectives and current strategy. Companies will typically engage with investors on a quarterly basis via public means (earnings calls, investor roadshows, etc.) and ongoing engagement on company performance will typically take place through this medium.

Board engagement

Depending on the situation or the nature of engagement warranted, we may meet with the Chairperson and other non-executive Board members. This provides a further opportunity to discuss the company's Governance Policies, including Board function, Board composition and diversity, remuneration policies (magnitude, metrics and hurdles) and subcommittee performance (including audit and accounting, communication and disclosure).

Expressing concerns through engagement

Antipodes will constructively engage with candidate and investee companies where relevant. Where a company's current performance is not reflective of its long-term potential or its strategy does not

encompass appropriate risk management, engagement will be undertaken with the aim of effecting positive change. If engagement proves futile, we may look to avoid or divest.

Method

The methods of engagement employed by Antipodes may include:

- Meetings with management or Board members
- Phone calls
- Emails
- Letters; and
- Voting (see Antipodes' Proxy Voting Policy).

Design

Individual analysts and sector teams are responsible for implementing and prioritising the engagement process, from routine engagement (which forms part of the investment process) with companies through to in-depth ongoing engagement on concerns. Oversight is provided by the sector head and the CIO.

Ongoing reporting

Antipodes reports on engagement activities to stakeholders through our quarterly ESG and Engagement Reports, at the request of clients and in marketing presentations. Specific queries on engagement from stakeholders, where specific concerns exist, are addressed on an ad-hoc basis.

3. ESG approach

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

Antipodes recognise that long term business outcomes are affected by the environment, social and governance (ESG) factors that a business may face. To this end, Antipodes' investment team monitor company ESG ratings (as measured by external specialists) within our proprietary screening tools in addition to our ongoing qualitative assessments. Where we identify that a company is not meeting acceptable standards of corporate behaviour, we may look to engage with the company to understand its plans, or lack thereof, for improved sustainability practices or to influence its thinking with respect to these matters. Some examples of factors that may be considered in this process are:

Environmental

- Approach to matters of environmental concern with respect to their product design, business practices, distribution and supply chain with a focus on long-term full cycle scope 1 and 2 carbon emission outcomes
- Environmental awareness in long-term business planning, including reference to standardised climate models
- Use of benchmarks to ensure environmental practices are aligned with industry standards, e.g. carbon emissions, use of renewable energy sources, implementation of ISO 14001, etc.

Social

- Approach to workplace relations, employee diversity, health and welfare of employees and respect for the company as a customer and supplier
- Engagement in charitable and/or other community welfare activities and cultural sensitivity across all regions of operation
- Degree to which company products or services are harmful to human health and wellbeing

Governance

- Degree to which management incentives, including stock-based compensation, and compensation practices/KPIs are transparent and aligned with long-term shareholder value creation
- Board of Directors' diversity, independence and accountability and track record of representing the interests of minority shareholders
- Open disclosure and transparency in business practices and financial reporting

In instances where we believe a company demonstrates wilful disregard for ESG principles we would likely avoid the company altogether. In this sense, companies responsible for the primary manufacture or distribution of goods and services that are widely accepted as harmful to human health and wellbeing are excluded from our portfolios, e.g. tobacco.

As part of our investment process we conduct engagement as outlined in this Engagement Policy.

We also participate in collaborative initiatives including the United Nations-supported Principles for Responsible Investment (UNPRI), the CDP (formerly the Carbon Disclosure Project) and the Transition Pathways Initiative.

As active owners, we vote on behalf of our clients' portfolios to influence management's decisions as appropriate. Refer to the Proxy Voting Policy for further information.

4. Conflicts of interest

This section of the Engagement Policy should be read in conjunction with our Conflicts of Interest Policy.

Where a conflict of interest in connection with Antipodes' engagement with a particular investee company arises, the conflict is required to be escalated to the CIO and Pinnacle Risk & Compliance. The conflict will be assessed and managed to determine the appropriate course of action to ensure that client interests are protected.