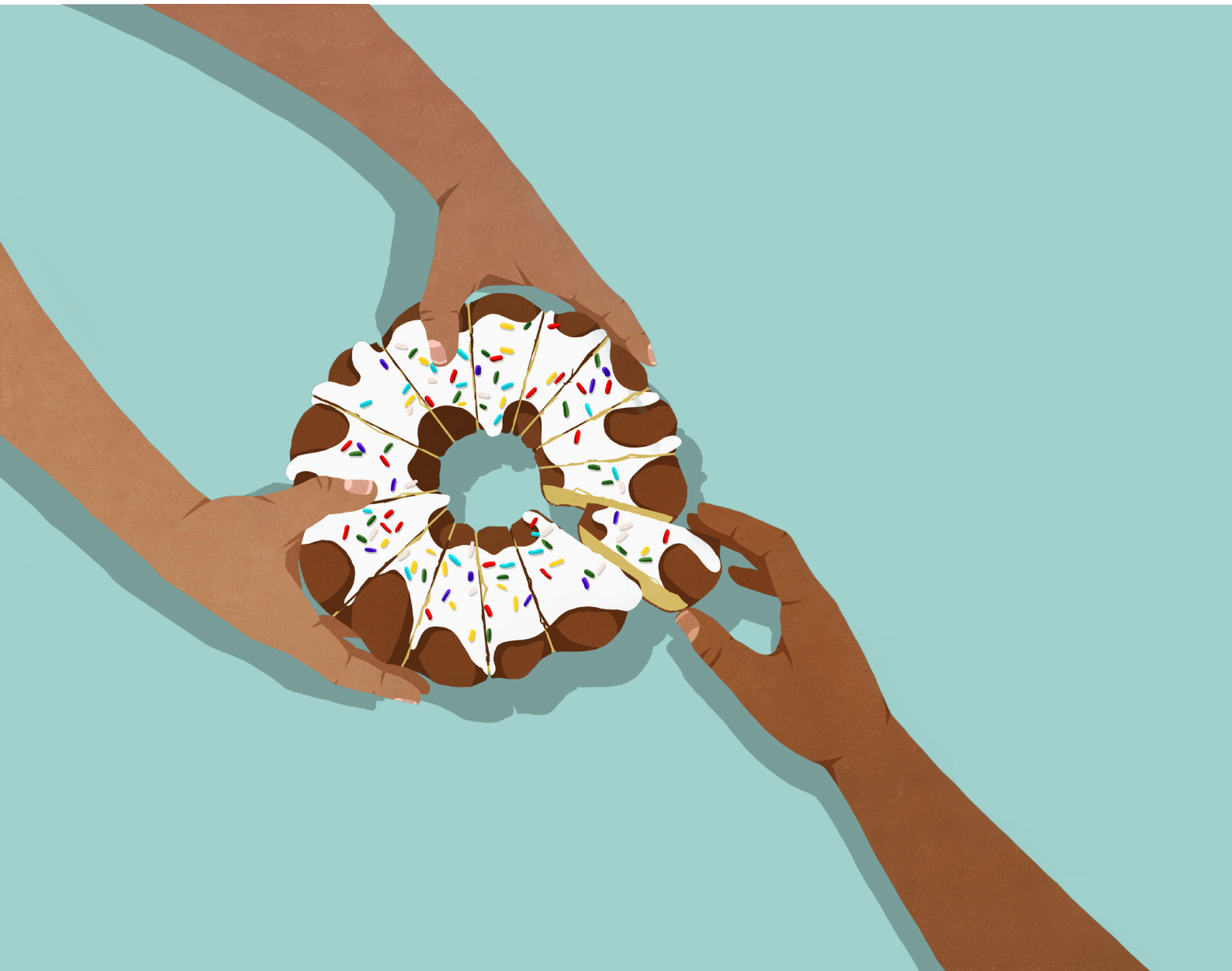


Platinum Asset Management Limited (ASX: PTM)

# Proxy Voting Policy

JUNE 2024



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## Proxy Voting Policy

This Proxy Voting Policy (the “Policy”) sets out how Platinum Investment Management Limited (“Platinum”, “we” and “our”) considers and implements proxy voting on assets managed on behalf of clients.

This Policy has been approved by the Board of Platinum.

# 1. Introduction

Platinum views proxy voting as an important component of our investment stewardship approach. To the extent proxy voting authority is delegated to or is otherwise the responsibility of Platinum, our primary objective is to maximise the long-term value of our clients’ investments.

Where appropriate, Platinum aims to have direct communication with the management teams and boards of companies in our portfolios. This allows us to engage with companies on matters such as strategy, performance, risk, capital structure, corporate governance and social and environmental issues in order to articulate our expectations and concerns and continuously improve our understanding of these issues.

# 2. Implementation

In assessing proxy voting proposals, Platinum receives independent analysis and recommendations from its external proxy advisor, Glass, Lewis & Co (“Glass Lewis”). Each proxy voting proposal is researched by the responsible analyst, taking into account the guiding principles outlined below and Glass Lewis’ recommendations. The responsible analyst has responsibility for voting all proxies.

Upon finalising proxy voting elections, the responsible analyst (or in their absence, a delegate) will lodge proxy votes via an online portal provided by Glass Lewis. Glass Lewis then records this information for subsequent reporting purposes.

## 3. Proxy Voting Guiding Principles

### General Guiding Principles

Taking a long position in a company generally reflects our alignment with and confidence in the company's management. Accordingly, we will generally vote with management except as set out in the guidelines below or where we hold a contrary view on a particular motion. Where we vote against a management proposal, the responsible analyst, on a best-efforts basis, will engage with the company to explain our rationale for the decision.

Platinum does not typically participate in protest voting and will generally only vote with the intention of having the motion carried, except in circumstances where we believe that a protest vote will assist in communicating shareholders' dissatisfaction with a company to management. We may also abstain from voting on company formalities.

We will vote on significant matters such as proposed share buy-backs, mergers and acquisitions, significant asset divestments and business re-organisations after careful consideration of all available information.

### Specific Guiding Principles

There are often a wide range of issues that need consideration when voting proxies. We consider all proxy voting proposals and vote on a case-by-case basis, taking into account specific company, sector, regional and/or market considerations as well as the best interests of our clients.

We specifically consider a company's **board composition**, **management incentivisation** and **social license to operate** as being particularly important for long-term value creation aligned with our investment horizon. Consequently, we have developed the following specific guiding principles for our analysts to consider when voting proxies.

#### 1. Board Composition

Key issues for the analyst to consider include:

- **Independence:** Does the board demonstrate independence and an ability to constructively advise and challenge the management team?
- **CEO and Chair separation:** Are the roles of CEO and Chair of the board separate?
- **Director skills & expertise:** Does the board demonstrate the appropriate skills and expertise necessary to support and represent the interests of the company's stakeholders?
- **Female representation:** Does the board have appropriate female representation? We generally consider this to be 30% of the board.
- **Renewal:** Does the board demonstrate appropriate renewal and refreshment?
- **Conduct:** Do directors demonstrate appropriate conduct (both personally and professionally) and commitment to their duties by attending at least 75% of board meetings (except with reasonable justification)?

**Voting policy:** If the answer to one or more of the above questions is no, Platinum will, on a best-efforts basis, engage with the company to communicate our concerns and expectations for improvement within a reasonable timeframe. If we are not satisfied with the company's response, we will vote against the individual director(s) we deem most accountable for board composition, when they are seeking election or re-election. This may include at least one of the following: the Chair of the board, the Chair of the Nominations Committee, a member of the Nominations Committee and/or another director.

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### 2. Management Incentivisation

Key issues for the analyst to consider include:

- **Structure:** Is the remuneration structure simple and easy to understand?
- **Timeframe:** Is remuneration linked to long-term performance and is it helping promote long-term stewardship?
- **ESG Linkage:** Are material ESG factors included as KPIs in remuneration structures?

**Voting policy:** If the answer to one or more of the above questions is no, Platinum will, on a best-efforts basis, engage with the company to communicate our concerns and expectations for improvement within a reasonable timeframe. If we are not satisfied with the company's response, we will vote against at least one of the following when they are seeking election or re-election: the Chair of the board, the Chair of the Remuneration Committee or a member of the Remuneration Committee.

### 3. Social License to Operate

Key issues for the analyst to consider include:

- **Responsiveness:** If the company has experienced material failures in the oversight, management or disclosure of environmental (including climate) or social (including human rights and modern slavery) risks, has the board responded appropriately?
- **Transparency:** Does the company provide independently audited, transparent and timely disclosures and reporting that meet relevant accounting standards and practices?
- **Culture:** Does the board instill a culture of fairness and govern within the spirit and not just the letter of the law and regulations?

**Voting policy:** If the answer to one or more of the above questions is no, Platinum will, on a best-efforts basis, engage with the company to communicate our concerns and expectations for improvement within a reasonable timeframe. If we are not satisfied with the company's response, we will vote against the election or re-election of all directors or individual director(s) we deem most accountable. This may include at least one of the following: the Chair of the board, the Chair of the Audit, Risk and Compliance Committee or a member of the Audit, Risk and Compliance Committee.

## 4. Voting in Different Jurisdictions

Laws and regulations regarding shareholder rights and voting procedures differ across jurisdictions. In some jurisdictions, the requirements or restrictions imposed before proxies may outweigh the benefit of voting. For example, certain countries restrict a shareholder's ability to sell shares for a certain period of time if the shareholder votes proxies at a meeting (a practice known as "share blocking"). Generally, Platinum will consult with Glass Lewis in determining whether to vote these proxies.

## 5. Conflicts of interests

There may be occasions where Platinum's interests conflict, or appear to conflict, with the interests of its clients. Platinum's duty is to vote proxies in the best interests of its clients and in accordance with this Policy. Conflicts of interest or perceived conflicts of interest are reviewed by Platinum's Investment Committee who provide a voting recommendation. Possible resolutions may include:

- Vote in accordance with the recommendations of Glass Lewis;
- Abstain from exercising proxy voting rights; or
- Disclose the conflict to the client and obtain the client's direction to vote the proxies.

## 6. Disclosure

Platinum will document and keep records of all proxy voting activities via Glass Lewis. Platinum will publish a record of voting decisions for the previous financial year annually.

## 7. Governance of this Policy

Platinum's Investment Committee is responsible for the implementation of this Policy and monitoring compliance.

This policy will be reviewed and approved by the Board periodically to ensure that it remains appropriate with regard to the changing nature of legislation or changes in Platinum's business operations and environment.

Platinum's Head of Stewardship is the owner of this Policy.

## 8. Enquiries

Enquiries relating to Platinum's voting policy and records can be directed to Investor Services on +61 2 9255 7500.

