

Voting 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	June 2004	Initial version
2	May 2010	Revision
3	July 2014	Revision
3.1	October 2015	Revision
3.2	February 2017	Annual review
3.3	February 2018	Annual review

b. Authorisation

This document requires the following approvals:

Authorisation	Name
Initial Version	Board
Revisions	Managing Director

Contents

1.	Introduction	4
2.	Policy Statement	4
3.	Routine Proposals	4
4.	Non-Routine Proposals	4
5.	Corporate Governance Proposals	4
6.	Process Overview and Procedures	5
7.	Engagement with Companies.....	5
8.	Socially Responsible Policy Issues	5

1. Introduction

This policy is based on the fiduciary responsibilities of Hyperion Asset Management Limited (“Hyperion”) to act in the best interest of its clients as shareholders. It describes Hyperion’s approach to resolutions put forward at Annual General Meetings (“AGMs”) and Extraordinary General Meetings (“EGMs”).

2. Policy Statement

It is the policy of Hyperion to vote on those resolutions it believes may have a material effect on shareholders. In the event that Hyperion receives a direction from the client in relation to the appointment of a proxy and the way the proxy should be voted, Hyperion will use its best endeavours to implement the direction. In the absence of any direction, Hyperion will exercise the right to vote as it sees fit, having regard to any standing instructions in the investment management agreement.

3. Routine Proposals

Routine proposals are those which do not affect the structure, by-laws, or operations of the corporation to the detriment of shareholders. Given the routine nature of these proposals, proxies will nearly always be voted with management. Traditionally, routine proposals include:

- Approval of independent auditors;
- Name changes;
- Election of directors (subject to competency, independence and limited number of board positions); or
- Coupling executive compensation with financial performance.

4. Non-Routine Proposals

Issues in this category are more likely to have a greater impact on shareholder value. Hyperion’s main concern is to protect the value of its clients’ investments. With this in mind, these resolutions are subject to scrutiny on case by case basis. These types of resolutions may include:

- Mergers and acquisitions;
- Restructuring; or
- Employee share purchase plans.

5. Corporate Governance Proposals

From time to time, Hyperion will vote against any management proposals that have the effect of restricting the full potential of its clients’ investments. These may include, but are not limited to:

- Excessive senior executive and non-executive management remuneration;

- Golden handshakes;
- Special interest representation on the board;
- Share and option schemes that do not reflect:
 - A. the responsibilities of the executive;
 - B. comparability to market practice;
 - C. appropriate performance hurdle benchmarks; or
 - D. appropriate disclosure;
- Unequal voting rights; or
- Takeover Protection – e.g., Poison Pills – generally involves issuing preferred stock purchase rights or warrants unilaterally declared as a dividend without shareholder participation or approval. Poison pills can be used to insulate existing management against competitive bids.

6. Process Overview and Procedures

- A. Proposed resolutions with explanatory notes are prepared and forwarded from the relevant custodian to Hyperion.
- B. Hyperion will review the resolution on a case by case basis in arriving at a voting recommendation. In arriving at a recommendation, the following principles are to be adhered to:
 - i. any resolution should treat shareholders equally;
 - ii. any material conflicts of interests are addressed appropriately; and
 - iii. resolutions should be individual and clearly stated. Composite resolutions are not regarded as optimal.
- C. Voting recommendations are discussed by the Portfolio Managers and forwarded to the Chief Investment Officer for review and approval.
- D. Hyperion will maintain a record of all voting on behalf of clients and report these to the clients.

7. Engagement with Companies

In addition to voting, Hyperion may enter into dialogue with a company to voice concerns in relation to actions or directions a company is taking in relation to performance, corporate governance and other matters affecting shareholders' interests.

8. Socially Responsible Policy Issues

Hyperion may elect to vote on socially responsible policy issues on a case by case basis recognising that social responsibility issues may have an impact on the value of the shareholders' investment.

APPENDIX 1

Voting Record Template

Scheme / Mandate Name:

Date of Resolution	Name of Entity	ASX Code	Meeting Date	Meeting Type	Management or Shareholder Proposed Resolution	Details of Resolution	For / Against / Abstain