

Statement on Responsible Investing Policy

Contrarius Australia

This statement has been prepared by Contrarius Investment Advisory Pty Limited (ABN 48 618 145 449, AFSL No. 506315) ("Contrarius Australia", "we", "us", "our"). At Contrarius Australia our objective is to create long-term wealth for our investors through superior long-term investment performance. We believe that long-term performance is driven by the consistent application of a sound investment philosophy. The key characteristics of our investment philosophy are that it is contrarian, valuation based, long-term and based on proprietary fundamental research.

When investing on behalf of the members of the funds for which we are the investment manager, our overriding objective is to act in the best interest of the Funds. A prerequisite for a sound investment philosophy is that it is sustainable. Our research efforts are directed to uncover companies that are trading below their underlying intrinsic value. The focus is on the long-term value of a business rather than short-term sentiment and earnings outlook. As part of our bottom-up research process, we consider a range of factors that might affect a company's intrinsic value. These factors include environmental, social and governance ("ESG") issues.

As long-term investors, it is critical for us to understand the full range of factors that might affect a company's business and share price performance. While there is scope for investors to have diverse views about ESG matters, we believe there is a broad consensus that a company that acts in a way that damages the environment or is morally or socially irresponsible will eventually undermine its own profitability. We believe that by performing rigorous, fact-based research that carefully seeks to consider risks, including relevant ESG related risks, we are able to maximise the chances that we can successfully implement our contrarian, valuation-based and long-term investment philosophy in a sustainable manner.

We select investments following detailed proprietary research. We have a designated ESG analyst (with the necessary back-up resources) who prepares and presents ESG reports for companies to be discussed at investment policy group meetings. Investment policy group meetings are where a fundamental investment policy group report is presented by the investment analyst for a company. The investment policy group report also addresses various risks considered relevant to the investment case (including ESG related risks). The investment policy group meeting discusses the investment merits of individual companies and then votes on the companies' attractiveness versus the market and assigns an overall risk rating to the company. The separate ESG report is presented and discussed prior to voting on a share. ESG considerations are taken into account to the extent that they may have a material impact on the long-term financial value of an investment. Shares may not typically be automatically excluded from our investable universe purely as a result of ESG factors and the Funds may invest in shares with a potentially higher exposure to ESG risks where it is believed the potential return outweighs the risks identified. The portfolio of any fund may therefore contain shares of companies that are not considered to have strong ESG characteristics.

The incorporation of responsible investing in our research effort extends to our voting at shareholder meetings. We use our own research and make voting decisions without the use of external service providers. Our overriding objective is to act in the best interest of the Funds by voting in support of proposals that will further the long-term value of the companies that the Funds are invested in. When voting at shareholding meetings, we consider all the aspects of a proposal being put to the vote – including relevant ESG issues. We are mindful to not follow a prescriptive set of rules for proxy voting as this could restrict our ability to act in the Funds' best interest. Our historical proxy voting records are made available quarterly on our website.

Other than as referred to below, our fundamental research process does not typically include engagement with management or other representatives of our investee companies. We generally believe that managements' actions speak louder than words when assessing the merits of an investment and the quality of management. Shareholder engagement may, on occasion, also place the Fund in a position where it would not be able to trade in a share, sometimes for lengthy periods. Furthermore, given the publicly available information on companies today (including transcripts and recordings of results, conferences, presentations, investor Q&A's and detailed filings and company reports), engaging with investee companies does not typically add particular value to the investment decision. However, as part of our approach to responsible investing, there are occasions where we engage with companies that the Funds are invested in with regards to ESG related matters. Such engagements may be for various reasons, including influencing corporate practice on ESG issues, encouraging improved ESG disclosure or gaining a better understanding of ESG strategy. Our engagement is based on a consideration of what is in the best interests of the Funds for which we are the investment manager and subject to applicable laws and regulations in the relevant jurisdiction.

Contrarius is a signatory to the United Nations-supported Principles for Responsible Investment.

The following documents, as well as this one, are available on our website (www.contrarius.com.au):

- Voting Rights Policy; and
- Proxy voting records.