

# Proxy Voting Policy

December 2023

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## Introduction

MA Financial Group Limited (MA Financial) is a global alternative asset manager specialising in private credit, real estate and hospitality. We lend to property, corporate and specialty finance sectors and provide corporate advice.

The asset management division of MA Financial (Asset Management), creates and manages investment opportunities for institutional, wholesale and retail investors across real estate, credit, hospitality, private equity and venture capital. The team also manage traditional asset classes including cash, bonds and listed equities.

The Equities team (Team) are responsible for managing the Asset Management division's activities in equity investments including investment decisions with respect to existing funds and mandates and the establishment of new fund products within these asset classes.

The Team is committed to responsible investing and high standards of corporate governance across investments. This includes being active owners and incorporating Environmental, Social and Governance (ESG) issues into its ownership policies and practices as per Principle 2 of the United Nations Principles of Responsible Investment. As part of its fiduciary duty to act in the best interests of all clients, an important part of the Team's stewardship practices is to represent its clients in matters of corporate governance and ESG issues through the proxy voting process.

The Team believe effective stewardship through proxy voting can lead to improved ESG practices, better corporate governance outcomes and managing risks across investments which can enhance overall long-term value for our clients.

## Scope

This policy sets out the Team's approach to proxy voting in the context of portfolio management, exercising fiduciary responsibilities and corporate governance principles for listed equities held in MA Financial managed investment schemes and mandates where the Team has voting discretion. This policy will be applied to new proxy votes from the date of this policy.

This policy does not apply to situations where investment management of a fund has been delegated to an external manager, in which case, responsibility for proxy voting is retained by that delegated manager. However, MA Financial does have the ability (or can exercise the right) to direct an external manager in relation to the appointment of a proxy and the way in which the proxy should vote.

From the date of this policy, as part of the due diligence process we will review external manager proxy voting policies and details of their proxy voting processes. Further, we will require our external managers to complete an annual ESG Due Diligence Questionnaire that requests information on any changes in internal governance and stewardship policies, philosophy, governance, practices (across investments, incentives and active ownership) and request a report of proxy voting practices for the prior 12 months.

To the extent this policy is inconsistent with any information in a disclosure document of a fund or mandate managed by the Team issued by MA Financial's Asset Management division, the information in the relevant disclosure document will apply.

## Why proxy voting is important

The Team considers the exercise of voting rights as an important aspect of the investment decision-making process. The Team recognise it has the potential to influence investee company policy on matters of corporate governance and material ESG issues by virtue of significant holdings in those investee companies, which are held on behalf of our clients

The Team believe that effective stewardship via proxy voting can promote better corporate governance and ESG outcomes, helping manage risks across investments which can enhance overall long-term value for our clients.

## Voting principles

The Team's policy is based on the following principles:

- voting decisions are made in alignment with the best long-term interests of our clients, while fostering transparency, accountability, and adherence to high standards of corporate governance
- the Team will generally align its voting with the recommendations from a proxy voting advisor and will conduct additional reviews where appropriate
- the Team will generally vote in favour of resolutions expected to advance progress on the Team's stewardship priorities, including affirming a company's good practice
- the Team is primarily concerned with the impact of proposals on a company's performance and economic value and recognises that environmental and social issues are associated with risk, costs and benefits and will generally vote with management on environmental and social proposals unless it identifies areas of weakness or

deficiency relative to peers and/or industry best practices or feels that management has failed to adequately respond to shareholder concerns;

- voting instructions are lodged for all internally managed equity holdings
- the Team will not vote where they have been excluded from doing so by the Corporations Act, or other applicable laws, or in cases of conflicts of interest or duty which cannot be resolved lawfully or appropriately
- at no time will the Team use the shareholding powers exercised in respect of its clients' investments to advance its own commercial interests at the expense of clients' interests, to pursue a social or political cause that is unrelated to clients' economic interests, or to favour a particular client or other relationship to the detriment of others
- in exercising its voting discretion, the Team does not intend to become involved in the day-to-day management of issues of companies, but rather exercises voting rights to ensure that companies act in the best interest of their shareholders.

## Voting and engagement process

The Team will vote on all proxy voting resolutions across its internally managed equity holdings and will generally vote in accordance with the recommendations from a proxy voting advisor. The Team has elected to adopt the [Glass Lewis Policy guidelines](#) for each market. The Team believe these guidelines promote high standards of corporate governance and disclosure as well as addressing material ESG issues which are aligned with our client's interests. The Team will conduct an additional review of proxy voting resolutions for actively managed equity listed holdings when:

- there is an against vote recommended by Glass Lewis;
- the Team holds more than 5% in a company;
- there is an Extraordinary General Meeting (EGM);
- there is a corporate/capital restructure related issue; or
- there are contentious, controversial or high-profile issues as determined by the Team on a case-by-case basis.

This additional review will be undertaken using input from third party providers such as Glass Lewis research reports, research from ESG providers such as Sustainalytics and other sources as appropriate. The Team may also engage directly with the management team of the company to gather further information on the issue, to support its voting decision.

The Team may choose to vote contrary to Glass Lewis recommendations based on further information researched if it is in the best interest of our clients and in line with the Team's voting principles and fiduciary responsibilities. Where the Team chooses to vote contrary to Glass Lewis recommendations and as otherwise specified in this policy, the Team will provide a written rationale for their vote in the Glass Lewis voting platform.

While we will consider the information and recommendations we receive from an advisory service, the Team retain full independence when exercising all votes. The Team is not bound to follow the recommendations supplied by any proxy advisor and will vote in the best interests of our clients and in accordance with our fiduciary responsibilities as stewards of our client's capital.

The Team has appointed Glass Lewis as proxy voting agent across all internally managed MA managed investment schemes and mandates who will notify the Team of all proxy votes. The Team is responsible for finalising all proxy vote elections via Glass Lewis' online voting platform where votes will default to Glass Lewis' recommendations unless the Team makes any changes. Glass Lewis will submit all final proxy vote elections on the Team's behalf.

Our Operations team is responsible for oversight of the proxy voting process, ensuring that the Team has conducted their additional reviews on resolution types noted in this policy and that all votes have been submitted.

Glass Lewis will maintain an audit trail of proxy votes that have been cast, confirmed, and counted. Glass Lewis has controls in place to ensure that votes that are entered into the Glass Lewis voting platform by the Team matches those votes that are submitted to market and will be alerted to investigate and resolve any mismatches.

## Responsibilities

The Portfolio Manager and Equities Investment Team is responsible for implementation of this Proxy Voting Policy and all proxy voting decisions. Glass Lewis is responsible for notifying the Team of upcoming proxy voting resolutions and to submit votes on the Team's behalf. Our Operations team is responsible for oversight to ensure that all votes have been submitted.

## Reporting

From the date of this policy, the Team will publish proxy voting records monthly for all internally managed equity holdings. The record will be published on our website at [mafinancial.com](http://mafinancial.com).

## Policy Review

This policy has been approved by the Board of MA Asset Management Ltd and is reviewed by the Team as required if there are material changes in the regulatory framework or business activities.

## International queries

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## References

- Financial Services Council's Standard 13: Proxy Voting Policy
- FSC Standard No. 23: Principles of Internal Governance and Asset Stewardship
- UN Principles for Responsible Investment.

## Directory

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### Domestic queries

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