



ZURICH

Zurich Investment Management Limited

Voting Policy

Zurich Investment
Management Limited
Limited
ABN 56 063 278 400

Policy Owner /
Responsible Manager

Matthew Drennan

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Next Review Date

22 September 2023
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Introduction

This document is consistent with the Financial Services Council's Standard No.13 *Voting Policy, Voting Record and Disclosure* dated 27 May 2020 ("FSC Standard No.13") and sets out Zurich Investment Management Limited ("ZIM") policy in relation to proxy voting. The Voting Policy sets out the principles under which voting decisions are made.

Purpose & Application

ZIM, as the responsible entity, does not have direct voting rights but instead appoints investment managers that are empowered to take responsibility for all aspects of corporate governance in relation to the assets held by ZIM Funds.

In relation to all securities held by these funds, the investment managers are free to exercise or refrain from exercising any voting rights (or direct the Custodian to do so) as they see fit. The investment managers also take responsibility for engagement with the management of the companies they invest in on behalf of our members and investors.

ZIM retains the right to over-ride the recommendation of its investment managers or outsourced proxy voting providers. The decision is delegated to the Chief Investments Officer and would only be enacted after dialogue with the respective Investment Manager.

In situations in which a single mandate for a Scheme is issued to an underlying manager, ZIM will delegate its voting rights to the investment manager(s) appointed to manage the assets of the Scheme.

In this situation, in order to comply with the FSC Standard No.13 requirements, Investment managers will be instructed to vote wherever possible, unless there is a good reason for abstaining. ZIM will assess and review the investment managers' proxy voting policies to ensure that the approach taken by the relevant investment manager appropriately considers the best interests of Scheme Members.

Where ZIM owns units in an unlisted managed investment scheme ZIM will vote in the best interests of Scheme Members.

Voting decisions are made on a case-by-case basis by an assessment of the matter at hand and after taking into consideration the likely effect on the performance on the ZIM Fund.

Overview

Corporate Governance deals with the way in which companies are directed and controlled. ZIM's view is that the most appropriate Corporate Governance is achieved by applying recognised corporate



governance principles (such as those detailed in the ASX Corporate Governance Principles and Recommendations document and FSC Standard No.23: *Principals of Internal Governance and Asset Stewardship*). ZIM recognises the strong link between good corporate governance and investment value.

The guiding principle of this Policy is that voting rights should be exercised and proxy votes should be cast in a way designed to ensure that proxies are voted in the best interests of Scheme Members.

Voting decisions are made on a case-by-case basis by an assessment of the matter at hand and after taking into consideration the likely effect on the performance on the ZIM Fund.

Principles

ZIM is of the view that corporate governance and the exercise of voting rights are an important aspect of any investment decision process. ZIM appreciates that in some cases ZIM may have the potential to influence corporate governance and policy by the exercise of its voting rights. Even if the matter is not material, then consistent with good practice and FSC Standard No. 1 *Code of Ethics and Code of Conduct*, ZIM generally will exercise voting and other similar rights. In exercising these rights, ZIM takes into account the following principles:

- a) any votes cast will be cast in the best interests of Scheme Members;
 - b) ZIM will not vote in favour of resolutions or actions imposing differential voting rights share classes or “poison pill” or other anti-takeover provisions which seek to deter appropriate takeover offers;
 - c) ZIM’s preference is to support and vote in favour of a Board or management recommendation. However, where a recommendation is not consistent with ZIM’s policies, the recommendation will not be supported;
 - d) ZIM will not vote where ZIM is excluded from doing so by the Corporations Act or other laws or in cases of conflicts of interest or duty which cannot be resolved lawfully or appropriately;
 - e) in some instances, ZIM may determine that for governance reasons and that members’ best interests are served by us abstaining from voting, and;
 - f) if a resolution is divisive or raises contentious issues, ZIM will be guided by what is in the best interests of the Scheme Members. Resolutions falling into this category include-
 - (i) those where there is a real likelihood that ZIM will vote against a Board- sponsored resolution;
 - (ii) those where there is a real likelihood that ZIM will vote against a current Director standing for re-election;
 - (iii) those which in ZIM’s reasonable opinion is inconsistent with or contravene FSC Standard No.23: *Principals of Internal Governance and Asset Stewardship* or ASX Corporate Governance Principles and Recommendations;
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- (iv) any other issue or resolution which ZIM considers on reasonable grounds to be contentious or divisive having regard to media coverage, industry conventions and relevant laws.

Implementing this Policy

Responsibility for this Policy

The Chief Investments Officer is responsible for the implementation of this Policy.

Mandates

In most instances, as part of an investment mandate, ZIM will authorise its investment managers to exercise ZIM's voting rights in accordance with the proxy voting policy outlined above.

Nevertheless, ZIM at all times retains its voting and other rights in relation to Scheme investments and reserves the right to override an investment manager's ability to exercise such rights as it thinks fit.

Listed equities: ZIM has provided mandates to its investment advisers and investment managers to notify ZIM of voting recommendations whenever a recommendation is to vote against a Board or management recommendation. ZIM will take into account any advice received from investment managers and voting advisory services in the implementation of this Policy for listed Australian equities.

Collective investments and Interposed Entities: In a number of cases, ZIM will not hold direct and immediate voting rights because of the interposition of a trust or other structure between it and the ultimate investments (e.g., an investment by ZIM in a managed investment scheme which then invests pooled or collective moneys). In such cases, ZIM will request that the interposed entity exercise its voting rights in a manner consistent with this Policy and to report to ZIM on the exercise of voting rights.

Disclosure

As required by FSC Standard No.13, ZIM must disclose both the:

1. Voting Policy of the Scheme (this document) and;
2. A summary of its Voting Record at least annually for each financial year, on its website no later than three calendar months after the end of the financial year. This disclosure is in a form consistent with FSC Standard No. 13.

Records keeping

The voting record for each financial year must be maintained in respect of each of the Scheme's investment on a "per Scheme, per investment and per resolution" basis.



ZIM will keep records of all documentation relating to the consideration of matters on which it is entitled to vote.

In accordance with FSC Standard No.13, the voting records includes details as set out in the Appendix below.



Appendix:

XYZ1 Balanced Fund –Listed Entity Voting Record –AGM Proxy Voting Record ASX Code:				
Meeting Date:				
Meeting Type AGM				
Record Date:				
Date of Resolution	Type of Resolution- General/Special	Management/ Shareholder Proposed/	Details of Resolution	For/Against /Abstain Resolution

XYZ2 Balanced Fund – Listed Entity Voting Record –General Meeting Proxy Voting Record ASX Code:				
Meeting Date:				
Meeting Type GM				
Record Date:				
Date of Resolution	Type of Resolution- General/Special	Management/ Shareholder Proposed	Details of Resolution	For/Against /Abstain /Resolution

XYZ 3 Growth Fund – Listed Entity Limited Voting Record –AGM Proxy Voting Record ASX Code:				
Meeting Date:				
Meeting Type AGM				
Record Date:				
Date of Resolution	Type of Resolution- General/Special	Management/ Shareholder Proposed	Details of Resolution	For/Against /Abstain Resolution /