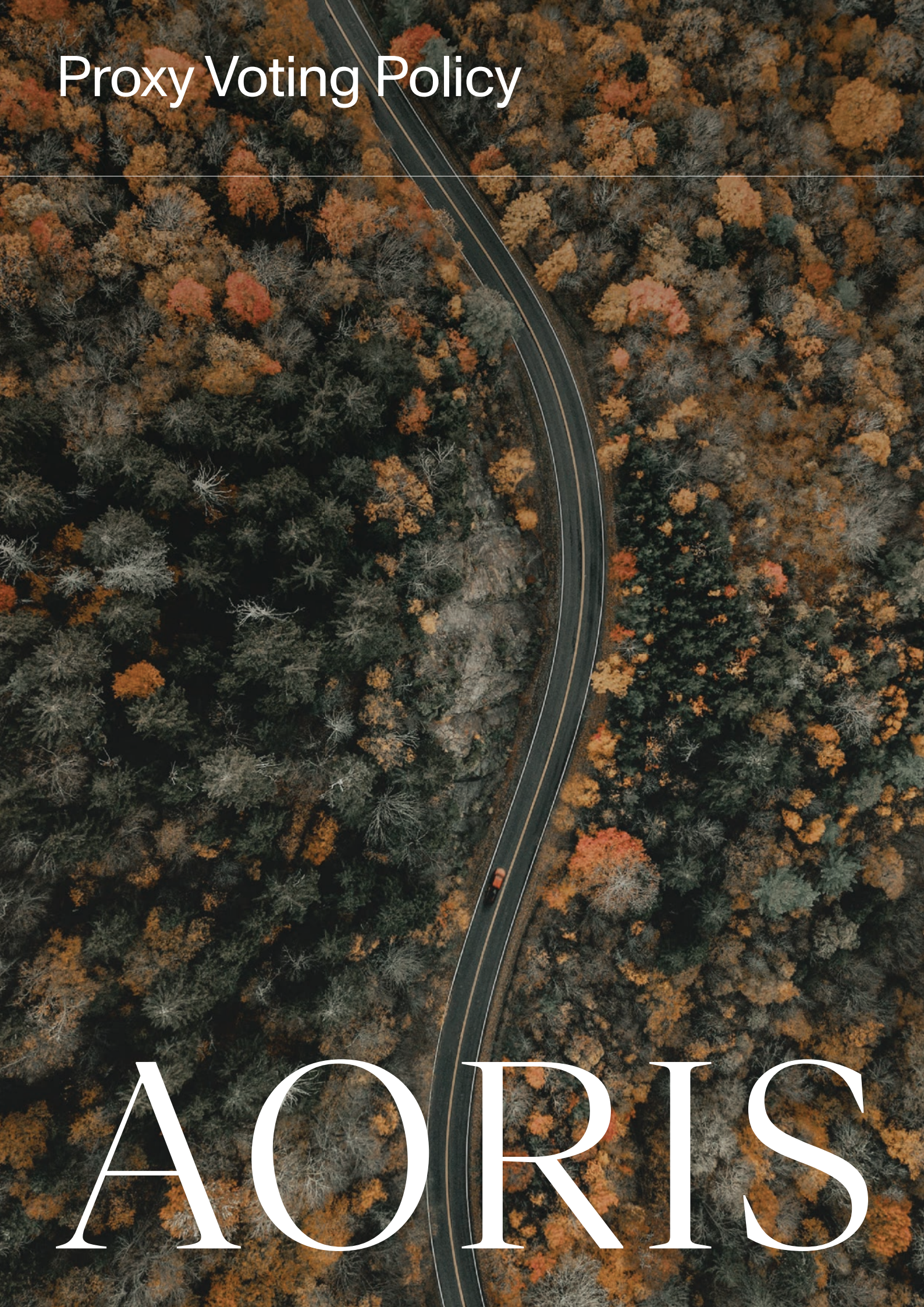


An aerial photograph of a two-lane asphalt road that curves through a dense forest. The trees are in various stages of autumn, with some showing vibrant orange and red foliage, while others are still green or have turned a dark brown. A small orange car is visible on the road, traveling away from the viewer. The overall tone is moody and naturalistic.

Proxy Voting Policy

AORIS

Why we vote

As a shareholder of public companies, we exercise our right to vote on proposals brought before us at annual and special meetings.

Voting enables us to participate in the corporate governance process, which we believe is in the best interests of our clients. We are active participants, which means we vote only FOR or AGAINST rather than abstaining on any matters.

How we vote

We vote in accordance with our Proxy Voting Policy.

We use Institutional Shareholder Services (ISS) for basic research on proxy matters but make our voting decisions independently.

In the unlikely scenario where we are against a particular proposal that is deemed material in nature, we may sell the position in full.

A complete record of how we voted this calendar year is available on request.

1. Operational items

Auditor ratification

Aoris will generally vote FOR proposals to ratify auditors, unless:

- an auditor has a financial interest in the company and is therefore not independent
- poor accounting practices are identified that rise to a serious level of concern
- fees for non-audit services are excessive (over 50% of audit fees)
- the same audit firm has been in place for more than 20 years.

Aoris will vote on a CASE-BY-CASE basis for shareholder proposals asking companies to prohibit or limit their auditors from engaging in non-audit services or asking for audit firm rotation.

2. Board of directors

Voting on director nominees in uncontested elections

Aoris will generally vote FOR proposals to elect individual board members unless:

- the member has attended less than 75% of prior board meetings without a valid excuse
- there are concerns about the individual or the company, such as criminal wrongdoing, sanctions from government, violations of laws and authority, etc.
- any member up for re-election who received more than 50% withhold/against votes at the previous election and the company has failed to address the underlying issues
- an inside director or affiliated outside director is serving on the audit, compensation or nominating committees.

All other proposals in relation to the Board of Directors will be voted on a CASE-BY-CASE basis, where the matters at hand will be discussed based on materiality and relevance to Aoris' investment objectives.

3. Executive compensation

Pay practices

in most cases of matters related to executive compensation Aoris will vote FOR such proposals unless:

- we identify instances of poor pay practice such as abnormally large bonuses without justifiable performance linkage, repricing of or replacing stock options, excessive severance or change-in-control provisions, etc.
- there is an imbalance in the short-term and long-term portions of executive compensation
- appropriate metrics used to measure performance linked compensation are not in place
- there is evidence of excessive internal pay disparity
- there is a lack of transparent disclosure of compensation philosophy and goals and targets, including details on short-term and long-term performance incentives.

In cases where Aoris believes there has been a gross misappropriation in regard to executive compensation, the course of action may be to SELL the position pending an Investment Committee meeting.

Equity compensation plans

Aoris will generally vote FOR proposals on equity-based compensation plans. It is our belief that executive management should have a material stake in the business in order to foster greater shareholder alignment. However, Aoris will evaluate equity compensation plans on the basis of potential plan cost, plan features and grant practices. While a negative combination of these factors could cause a vote AGAINST, consistently excessive equity compensation in light of poor operational performance could constitute grounds to SELL the position pending an Investment Committee meeting.

Other reasons to vote AGAINST the equity plan could include the following factors:

- The plan permits the repricing of stock options/stock appreciation rights (SARs) without prior shareholder approval.
- There is more than one problematic material feature of the plan, which could include one of the following: unfavourable change-in-control features, presence of gross-ups and options reload.

4. Proxy contests

Voting for director nominees

Aoris will vote CASE-BY-CASE on the election of directors of operating and holding companies in contested elections, considering the following factors:

- Long-term financial performance of the target company relative to its industry.
- Management's track record.
- Background of the nomination, in cases where there is a shareholder nomination.
- Qualifications of director nominee(s).
- Strategic plan related to the nomination and quality of critique against management.
- Number of boards on which the director nominee already serves.
- Likelihood that the board will be productive as a result.

5. Shareholder rights and defences

Proxy contest defences

In relation to shareholder defences for proxy contests, Aoris will generally vote FOR proposals that uphold shareholder rights and act in the best interest of shareholders. Such proposals include but are not limited to:

- repealing classified boards
- permitting shareholders to remove and elect directors
- remitting cumulative voting
- permitting shareholders to call special meeting
- permitting shareholders to act by written consent.

Tender offer defences

In relation to shareholder defences for tender offers, Aoris will generally vote FOR proposals that uphold shareholder rights and act in the best interest of shareholders. Such proposals include but are not limited to:

- requests to companies to submit takeover defence strategies for shareholder ratification
- fair price proposals, as long as the shareholder vote requirement is no more than a majority of disinterested shares
- adoption of anti-greenmail charters or by-law amendments.

Instances where Aoris will vote AGAINST proposals regarding tender offers, include but are not limited to:

- dual class share exchange offers or recapitalisations
- management proposals to require a supermajority shareholder vote to approve a charter and by-law amendments
- management proposals to require a supermajority shareholder vote to approve mergers and other significant business combinations
- management efforts to change the company's capital structure to delay or divert a potential takeover of a company.

6. Mergers and corporate restructurings

In relation to mergers and corporate restructurings, Aoris will generally vote CASE-BY-CASE on mergers and acquisitions taking into account the following based on publicly available information:

- Valuation.
- Market reaction.
- Strategic rationale.
- Management's track record of successful integration of historical acquisitions.
- Presence of conflicts of interest.
- Governance profile of the combined company.

Depending on the materiality and strategic rationale of the acquisition, if it is deemed that the merger is not in line with Aoris' investment objective, the course of action may be to SELL the position pending an Investment Committee meeting.

7. Reincorporation proposals

Aoris will vote on a CASE-BY-CASE basis on management proposals to reincorporate. Factors considered will include:

- whether the reincorporation would not substantially diminish shareholder rights
- a strong economic case to reincorporate the company.

If reincorporation is being pursued purely for tax minimisation reasons, Aoris may decide to SELL the position pending an Investment Committee meeting.

8. Capital structure

Common stock authorisation

Aoris will generally vote FOR proposals to increase the number of shares of common stock authorised for issuance.

However, if equity issuances are excessive and not supported by solid strategic rationale, Aoris may decide to SELL the position pending an Investment Committee meeting.

Stock distributions: splits and dividends

Aoris will generally vote FOR stock splits and reverse stock splits.

Aoris will vote FOR management proposals concerning allocation of income and the distribution of dividends.

Creation of or increases in preference shares

Aoris will generally vote AGAINST proposals to increase the number of shares of preferred stock, as long as there is a commitment to not use the shares for anti-takeover purposes.

Other

Any other proposals that look to alter capital structure of a company will be voted on a CASE-BY-CASE basis with key consideration towards whether the proposal is aligned with Aoris' investment objectives.

9. Environmental, social and governance

Environmental sustainability reporting

Aoris will generally vote FOR proposals requesting the company to report on its policies, initiatives and oversight mechanisms related to environmental sustainability, or how the company may be impacted by climate change.

Establishing goals or targets for emissions reduction

Aoris will generally vote FOR proposals requesting the company to establish goals for emission targets given these are material and achievable for the business.

In limited circumstances Aoris may vote WITHHOLD if it is in the view that disclosures or targets around emissions are already sufficient and material.

Political contributions and trade association spending/lobbying expenditures and initiatives

Aoris will generally vote AGAINST proposals asking for detailed disclosure of political contributions or lobbying expenditures and proposals seeking to bar these expenses.

Aoris believes that it is the role of boards and management to determine the appropriate level of disclosure of all types of corporate political activity. When evaluating these proposals, Aoris considers the prescriptive nature of the proposal and the overall benefit to shareholders along with a company's current disclosure of policies, practices and oversight. Businesses are affected by legislation at the federal, state, and local level, and barring political contributions can put the company at a competitive disadvantage.

Diversity

Aoris believes that companies should have clear and public diversity policies and improvements in these initiatives are welcomed. It will generally be the case that Aoris votes FOR proposals seeking to amend a company's diversity policy given the changes put forward are progressive and further prohibit discrimination on the basis of sexual orientation, gender identity, race, religion or other.

Labour and human rights standards

Aoris will generally vote FOR proposals requesting a report on company or company supplier labour and/or human rights standards and policies, or on the impact of its operations on society, unless such information is already publicly disclosed.

Get in touch

Suite 27.04, Level 27,
25 Martin Place,
Sydney NSW 2000, Australia
+61 2 8098 1504
info@auris.com.au
www.auris.com.au

AORIS

Morningstar Sustainability Rating



Signatory of:



Acknowledgement of Country

Aoris acknowledges the Traditional Owners of Country throughout Australia and recognises their continuing connection to land, waters and culture. We pay our respects to their Elders past and present.