

Responsible Investment

New Zealand Equities Fund (as at 31 March 2025)

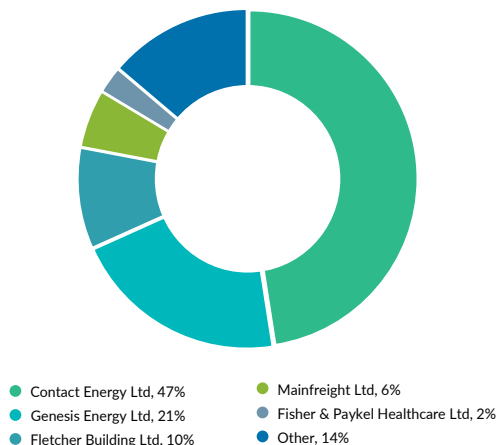
	Fund	Benchmark
% of Portfolio reporting Scope 1 and 2 emissions (by market value)	98%	100%
Weighted Average Carbon Intensity (WACI), tCO ₂ e	51	48
Portfolio Emissions (Scopes 1+2), tCO₂e per \$1m invested	26	26

Listed Property Fund (as at 31 March 2025)

	Fund	Benchmark
% of Portfolio reporting Scope 1 and 2 emissions (by market value)	97%	100%
Weighted Average Carbon Intensity (WACI), tCO ₂ e	10	6
Portfolio Emissions (Scopes 1+2), tCO₂e per \$1m invested	2	0

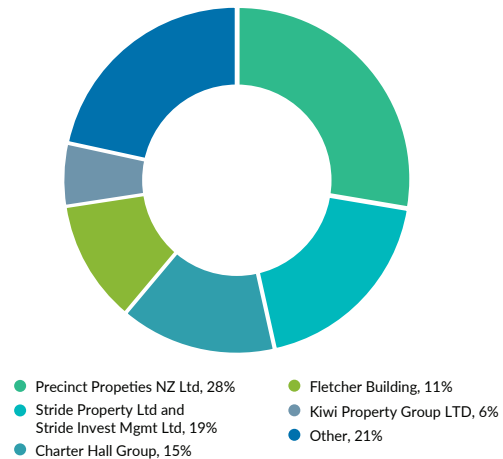
New Zealand Equities Fund

LARGEST CONTRIBUTORS TO PORTFOLIO
WEIGHTED AVERAGE CARBON INTENSITY



Listed Property Fund

LARGEST CONTRIBUTORS TO PORTFOLIO
WEIGHTED AVERAGE CARBON INTENSITY



Active stewards of investors' money: Proxy voting and how we approach it

Octagon's voting policy is covered in our Code of Conduct. We believe that voting rights are a valuable asset of the investor and deserve to be managed with care and diligence. We also believe that voting is an important part of the effective stewardship of investors' money.

Octagon votes all proxies in what we believe to be the best interest of our investors. We vote on all directly-held equity securities. To assist us in making voting decisions we utilise an internationally renowned proxy advisor, ISS. The proxy advisor provides to us research and recommendations on all proxy votes for companies we invest in along with administrative and reporting support to the proxy voting process.

As active investors, and active stewards of invested capital, we do not outsource our voting decisions. While we rely on research and advice from ISS Octagon is the ultimate decision-maker and will, from time-to-time, vote differently to the proxy advisor recommendation.

We regularly engage directly with the companies we invest in, so there will be instances where we believe we understand a situation or company better than our proxy adviser. A key example of this from recent history was Synlait Milk Limited's (SML) September 2024 Special Shareholder's Meeting. For those not familiar with the circumstances around the special meeting, continued cost inflation in their ingredients base, coupled with a continued underutilisation of their North Island assets created a significant negative drag on earnings which put

unsustainable pressure on its already overleveraged balance sheet. The inability to turn earnings around quickly or sell assets to alleviate the debt pressures caused substantial uncertainty over the future of the company. In August 2024 a capital raise was announced which was key to the reparation of SML's balance sheet - a result of this capital raise was that large shareholder Bright Dairy would become a majority shareholder (as minority shareholders were excluded from the raise). The special meeting contained a resolution that would amend the company's constitution in favour of Bright Dairy, as the new majority shareholder, at the expense of minority shareholders. Concerned at the apparent disruption to minority shareholder rights the proxy advisor recommended voting against the special resolution.

Four Quarters to 31 March 2025

Meetings voted at	168
Items voted on	1173
Votes against board/management	56
Votes against proxy advisor	32

We strongly disagreed with this recommendation and decided to vote for the resolution. In our view, whilst it was disappointing as a minority shareholder to be excluded from the raise and thus heavily diluted, we felt that the capital raise was essential for the company to continue which was ultimately in the best interest of all shareholders. We engaged directly with the company, highlighting our support for the resolution whilst indicating future support was contingent on seeing an appropriate rebasing of earnings and a shift in their level of risk acceptance regarding future capital allocation.

An advantage of using an external proxy advisor is the enhanced reporting available, allowing us to provide detailed statistics on how we have voted. Over the four quarters to 31 March 2025 we voted at 168 meetings on 1,173 items. We disagreed with our proxy advisor, and voted against their recommendation, 32 times. We also voted against company board/management recommendations 56 times.

ESG Team



Craig Alexander
Head of Fixed Interest and ESG



Liam Donnelly, cfa
Fixed Interest and ESG,
Analyst

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