

## INTRODUCTION

The Argonaut Group (Argonaut) provides stockbroking and research services to retail, wholesale and institutional clients and corporate finance and funds management services to wholesale and institutional clients. Argonaut also invests in companies through its Principal transactions.

Argonaut believes in being a good corporate citizen and is committed to acting ethically and with integrity in all its business dealings and relationships. We recognise that stewardship is one of the most effective mechanisms to manage risks, maximise returns, drive ethical corporate governance, and make a positive contribution to society and the environment.

## PURPOSE

The purpose of this Policy is to outline Argonaut's approach to stewardship. It is part of Argonaut's commitment to our obligations as a signatory to the Principles for Responsible Investment (PRI).

In line with Principle 2 of the PRI's principles, Argonaut is an active owner and incorporates Sustainable Investment/Environmental, Social and Governance (ESG) issues into our ownership policies and practices.

## SCOPE

The Argonaut Group is comprised of **Argonaut Limited** (ABN: 33 109 326 418) and its related bodies corporate, including its respective AFS Licensees:

Name	Principal Activities
<b>Argonaut Corporate Finance Limited</b> ABN: 18 099 761 547 AFSL No: 221476	Provision of Corporate Finance services to wholesale and institutional clients
<b>Argonaut Securities Pty Limited</b> ABN: 72 108 330 650 AFSL No: 274099 (ASX Market Participant No: 6013)	Provision of stockbroking and research services to retail, wholesale, and institutional clients
<b>Argonaut Funds Management Pty Limited</b> ABN: 76 101 152 863 AFSL No: 224815	Management of funds to wholesale and institutional clients

This Policy applies to the whole Argonaut Group and throughout this Policy Argonaut Limited, its related bodies corporate and its respective AFS Licensees will be referred to jointly as "Argonaut", "we", "our" or "us". It applies, to the extent applicable to:

- all business activities of Argonaut; and
- all persons engaged in our business activities and all our business relationships including all Board directors, employees, contractors, consultants, suppliers, and third-party service providers.

This Policy is not a stand-alone document; it is an integral part of Argonaut's risk management and sustainable investment frameworks.

## REGULATORY FRAMEWORK

The Policy is aligned to Principle 2 of the PRI and the ASX Corporate Governance Principles and Recommendations.

## WHAT IS STEWARDSHIP

Stewardship is defined as the use of Argonaut's influence as an investor, financial services provider, and corporate citizen, to maximise overall long-term value, including the value of common economic, social, and environmental assets, on which returns, and clients' and relevant stakeholders' interests depend.

## ARGONAUT'S STEWARDSHIP OBJECTIVES

Our stewardship activities are aimed at positively influencing corporate behaviour and contributing to long-term value to our clients, wider society, and Argonaut. It is a way of influencing companies in which we invest to do the right thing.

## ARGONAUT'S STEWARDSHIP TOOLS

Argonaut employs several stewardship tools:

## 1. Engagement

Argonaut seeks to interact with companies it invests in, or acts on behalf of, with a view to improving their performance, including their corporate practices, on sustainable investment matters and financial outcomes. Our engagement typically takes the forms of meetings, emails, calls, or letters, during which issues are raised and discussed, and we make clear our expectations and those of our clients.

## 2. Voting

Argonaut's policy is to vote on all company resolutions where we have the authority to do so. As an active owner, Argonaut believes it is vital that we use our voting rights as a shareholder in companies. Share voting is an important tool for engaging with companies and is a visible and concrete expression of Argonaut's views which may have already been discussed privately with a company. Our voting decisions on company resolutions aim to send a clear sign to companies of what they are doing right and where they need to improve.

## 3. Direct Intervention

From time-to-time, we may seek to assume direct roles on investee boards and/or board committees, where we believe that poor, unethical and embedded corporate practices are failing to meet standards set by government, regulators, industry, or society and where their conduct is causing poor investment and sustainable investment outcomes for our clients and Argonaut. Such action will only be taken after we have engaged with or unsuccessfully sought to engage with investee Boards and/or Executive Management on matters of concern.

## 4. Litigation

If we are unable to successfully change investee behaviour, we may seek to resolve the matter through litigation. This action will only be taken with the approval of the Argonaut Executive Chairman, the Argonaut Group Managing Director and as required, the Argonaut Board.

## 5. Media

We may seek to progress our responsible and sustainable investment goals through the media. In line with Argonaut's Media Policy, this action will only be taken with the approval of the Group Managing Director and Head of Corporate Finance or the Executive Chairman and Head of ECM & Principal Investments.

## 6. Engagement with Regulators and interest groups

Argonaut will contribute to public policy or regulatory consultations on proposed legislative changes on a case-by-case basis. Where we choose to make submissions to Governments and Regulators, our purpose is to seek positive outcomes for our stakeholders.

In all of our stewardship activities, Argonaut will be transparent in relation to any potential conflicts of interest. This is aligned with our overarching Conflicts of Interest Policy

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## ROLES AND ACCOUNTABILITIES

- The Argonaut Board has ultimate accountability for determining Argonaut's Stewardship Policy.
- The Argonaut Sustainable Investment Committee is responsible for overseeing the implementation of Argonaut's Stewardship Policy as part of its broader oversight of Argonaut's sustainable investment framework.
- The Board is supported by Executive Management in ensuring that Argonaut's Stewardship Policy is complied with.
- The Head of Risk & Compliance is responsible for the management and ongoing monitoring of Stewardship risk controls.

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## COMMUNICATING THIS POLICY

The Head of Risk & Compliance will communicate this Policy:

- to new Board directors, employees, contractors and consultants as part of their induction

- to all Board directors, employees, contractors and consultants following a substantive amendment to this Policy
- in any event, to all Board directors, employees, contractors and consultants at least annually.

The Head of Risk & Compliance will ensure that this Policy is easily accessible on the Diligent Board Platform and, the Argonaut intranet. A condensed version, tailored for external parties, will be made available on the company website.

## **REVIEWING THIS POLICY**

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The Head of Risk, Compliance & Business Support will review this Policy every year and report to the Sustainable Investment Committee on the review. This Policy will also be reviewed following any relevant legislative changes.