

VOTING POLICY

Although Amati is a relatively small fund manager we will generally vote at all company meetings, and as a matter of principle we would do so where we hold a significant position in the company, or where we believe there to be a contentious issue arising. Proxy voting services are only used to process voting instructions and no advice is taken. Issues we are particularly conscious of are those surrounding board structures, the concentration of share ownership, as well as option schemes and other forms of remuneration.

Broadly there are three methods of engagement in relation to voting. The first is direct engagement with investee companies before general meetings to try to modify or remove specific resolutions which we do not think are in the best interests of our clients – this is by far the most preferable course of action and where we have leverage and influence we will use it assertively. The second is to use our voting rights to overturn resolutions or, if those rights are not enough to achieve that outcome, then at the very least to register our dissatisfaction with the proposals. We vote on every resolution in every meeting but in reality it is quite rare that we feel compelled to vote against a resolution on a matter of substance, as we have already conducted extensive due diligence on investee companies before investing. This means that unless something dramatically changes in terms of governance or remuneration structures at the company in question there is normally no need to vote against or abstain on resolutions. Finally, we have the ultimate sanction of disinvestment, which we do not hesitate to use if we have failed to achieve a satisfactory outcome for our clients.

Issues that we seek to influence by the strategic use of our voting rights include the following:

- Management appointments
- Adviser appointments
- Acquisition / disposal strategy
- Responsible governance
- Board diversity and inclusion
- Inappropriate management incentive and remuneration packages

Political donations

Many companies seeking formal approval for political donations have no current intention of making direct political donations, and are doing so merely to protect themselves from inadvertently breaching the Companies Act. This can arise when companies engage with stakeholders regarding concerns and issues that are broadly political and which potentially affect a company's operations, albeit that these interactions are not intended to support a certain political party or influence support for any political party. In response to this, and in line with guidance from the Chartered Governance Institute, our policy to allow for a more nuanced approach, whereby in cases where it is clear that seeking the ability to make



political donations is a protective measure only, and that no donations have been or are intended to be made, then in principle we are willing to support (or abstain from) that specific resolution.

Amati's full voting record is available at <https://www.amatiglobal.com/page/voting-records>.