

AMATI AIM VCT PLC
(the “Company”)

Role of the Chair of the Board

AIC Code requirements:

1. Shareholder engagement

Provision 5.2.3: In addition to formal general meetings, the chair should seek regular engagement with major shareholders in order to understand their views on governance and performance against the company’s investment objective and investment policy. Committee chairs should seek engagement with shareholders on significant matters related to their areas of responsibility. The chair should ensure that the board as a whole has a clear understanding of the views of shareholders. *(Incorporates relevant content from UK Code Provision 3)*

2. Responsibility for board effectiveness

Principle 6.1 F: The chair leads the board and is responsible for its overall effectiveness in directing the company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the chair facilitates constructive board relations and the effective contribution of all non-executive directors, and ensures that directors receive accurate, timely and clear information. *(UK Code Principle F)*

3. Acting on board evaluation results

Provision 7.2.26: There should be a formal and rigorous annual evaluation of the performance of the board, its committees, the chair and individual directors. The chair should consider having a regular externally facilitated board evaluation. In FTSE 350 companies this should happen at least every three years. The external evaluator should be identified in the annual report and a statement made about any other connection it has with the company or individual directors. *(UK Code Provision 21)*

Provision 7.2.27. The chair should act on the results of the evaluation by recognising the strengths and addressing any weaknesses of the board. Each director should engage with the process and take appropriate action when development needs have been identified. *(UK Code Provision 22)*

4. Membership of Committees

Provision 7.2.22: The chair of the board should not chair the nomination committee when it is dealing with the appointment of their successor.

Provision 8.2.29: The chair of the board should not chair the audit committee but can be a member if they were independent on appointment. If the chair of the board is a member of the audit committee, the board should explain in the annual report why it believes this is appropriate.

Provision 9.2.37: The chair of the board can only be a member of the remuneration committee if they were independent on appointment and cannot chair the committee.

Provision 9.2.41: The remuneration committee, in conjunction with the chair, should be responsible for setting the directors’ remuneration levels.

FRC Guidance on Board Effectiveness:

1. Relations with shareholders

The chair has an important role in fostering constructive relations with major shareholders and in conveying their views to the board as a whole. *(paragraph 35)*

The chair should encourage the chairs of the audit, remuneration and nomination committees to make a statement on the activities and achievements of the committee over the year. This could include details of engagement with shareholders on significant matters. *(paragraph 38)*

2. Stakeholder engagement

1.39. The chair has a key role to play in representing the company to its key stakeholders and is encouraged to report personally in the annual report about board leadership and effectiveness.

The responsibilities of the Chair of the Board

- 1 The Chair leads the Board and is responsible for its overall effectiveness in directing the Company. The Chair should:
 - 1.1 demonstrate objective judgement throughout their tenure;
 - 1.2 promote a culture of openness and debate;
 - 1.3 facilitate constructive board relations and the effective contribution of all Non-Executive Directors;
 - 1.4 ensure that Directors receive accurate, timely and clear information;
 - 1.5 in addition to formal general meetings, seek regular engagement with major shareholders in order to understand their views on governance and performance against the Company's investment objective and investment policy;
 - 1.6 ensure that the Board as a whole has a clear understanding of the views of shareholders; and
 - 1.7 act on the results of the annual evaluation of the performance of the Board, its Committees and individual Directors by recognising the strengths and addressing any weaknesses of the Board.
- 2 The Chair should be independent on appointment when assessed against the circumstances set out in Provision 13 of the AIC Code.
- 3 The Chair may be a member of the Audit Committee if they were independent on appointment, but cannot be the chair of the Committee.
- 4 The Chair may be a member of, and may chair, the Nomination Committee, provided that they are independent of the Manager. The Chair of the Board will not chair meetings of the Nomination Committee that deal with the appointment of his successor.
- 5 The Chair may be a member of the Remuneration Committee if they were independent on appointment, but cannot be the chair of the Committee.

Role of the Senior Independent Director

AIC Code:

Provision 6.2.14. The board should appoint one of the independent non-executive directors to be the senior independent director to provide a sounding board for the chair and serve as an intermediary for the other directors and shareholders. Led by the senior independent director, the non-executive directors should meet without the chair present at least annually to appraise the chair's performance, and on other occasions as necessary. *(UK Code Provision 12)*

The AIC Code provisions operate on a comply or explain basis. As the Company explains in its Annual Report, the Directors have determined that the size of the Company's Board does not warrant the appointment of a senior independent director.

The above responsibilities are in addition to any Directors' statutory or regulatory duties, as well as other provisions of the AIC Code in relation to the role of the Non-Executive Directors.

Reviewed and adopted by the Board on 16 June 2022.