Amati Global Investors

Finely crafted investments

Stewardship Report

Policy and Context Disclosure

2025

UK STEWARDSHIP CODE

POLICY AND CONTEXT DISCLOSURE

A	Organisation, investment beliefs and stewardship approach
B	Governance and resources
C	Policies, processes and review
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This Policy & Context Disclosure has been reviewed and approved by the Board of Amati Global Investors Limited.

The Board confirms that the report fairly represents the organisation's framework, including its governance, policies, processes, and approach to stewardship for the reporting period 1 January 2025 to 31 December 2025, and that it has been prepared in alignment with the principles of the UK Stewardship Code 2026.

Dr Paul Jourdan
Chief Executive Officer
For and on behalf of the Board

30 April 2026

A

Organisation, investment beliefs and stewardship approach

A Describe your organisation, your investment beliefs, your clients or beneficiaries and how that informs your approach to stewardship

Organisation

Amati Global Investors ("Amati") was established in Edinburgh in 2010 with the objective of providing our investors with savings vehicles offering exposure to dynamic areas of the market. Historically we are specialists in UK listed small and medium sized companies, having more recently added a global mining team and a large cap global equity team, with the aim of curating diverse portfolios of carefully analysed businesses capable of performing in a variety of market conditions. Independent and committed to active management, we have created an environment that enables our investment teams to work together effectively, focusing on making good investment decisions for our clients. Indeed, Amati's entire business model is predicated around building long term value for investors, with a distinctive investment proposition and a culture built around independence, integrity and the alignment of our interests with those of our clients.

Amati focuses on small and mid-sized companies, with a universe ranging from the constituents of the FTSE Mid 250 and FTSE Small Cap indices, to stocks quoted on AIM and, more recently, to companies listed on international markets.

Investment beliefs

Amati recognises a need for 'through the cycle investing' and seeks to provide, as much as possible, investment vehicles for all seasons. Our focus is on quality business models, sustainable revenues and margins and strong balance sheets. We adjust the positioning of the portfolios over time to keep a focus on the best investment propositions we can find, taking into account the underlying macro-economic and political risks, industry trends and the specific circumstances of individual companies.

ESGH ("H" being Human Rights) considerations, including stewardship, have always been integral to the way we work, forming part of the investment process and not as an adjunct to the process. Stewardship is not outsourced – we believe that the individuals managing the money should be those making decisions on stewardship and ESGH considerations.

As at 31 December 2025, Amati managed three collective UCITS funds as well as an investment service for private clients used for inheritance tax planning. In addition, Amati managed the Amati AIM VCT plc until 30 April 2025. Although they each have distinctive mandates, all of our funds and products are managed with the same philosophy of creating long term value for clients and as far as possible seeking to align our interests with those of our clients. We use a bottom-up investment approach, where stocks are chosen after rigorous analysis and with a bias towards quality growth companies with sustainable revenues and margins. Risk metrics are actively monitored, with an emphasis on liquidity and diversification by sector and geographical source of revenues. Stewardship and ESGH considerations are central to the investment process and inform all of our investment activities.

Amati recognises that managing investments on behalf of clients involves considering a wide set of responsibilities in addition to seeking to maximise financial returns for investors. Industry practice in this area has been evolving rapidly and Amati has been an active participant in seeking to define and strengthen its principles accordingly. This involves both integrating ESGH considerations, including those relating to climate change, into the investment decision-making process as a matter of course, and signing up to major external bodies who are leading influencers in the formation of industry best practice.

There is, however, a fundamental ambiguity which sits at the heart of debates over non-financial analysis such as ESGH. Is the intention of the fund manager in conducting this analysis to use it to make better investments, or is it to try to change the behaviour of investee companies into taking non-commercial decisions in line with fund managers' ethical preferences? This ambiguity was present, for example, when Mark Carney pushed the banking industry to no longer lend to the oil and gas industry based on the increased risk of stranded assets. The idea was presented as requiring banks to conduct further risk

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analysis to make better loans, but it was presented to the public as a policy to tackle climate change (to which in fact it would arguably have made no discernible difference).

The distinction requires some further elaboration with the added dimension of stewardship. Amati recognises the need to represent the interests of the owners of their funds as shareholders of the companies in which they invest. Doing so requires active engagement with all aspects of a business, and this in turn is one of the drivers of the need for ESGH analysis as part of the investment process. The objective is to strengthen a company's long term business franchise through ensuring the highest standards of governance and business culture. At the same time, we recognise that it is not our remit to pressurise companies to give up profits for the sake of policy objectives which we might favour, but which are not being supported by Government legislation. There is great willingness amongst investors to address climate change, for example, in a myriad of ways, but ultimately public policy is required to decide where the costs of doing so will fall. We can use our voice as fund managers to feed into the debate, and we can anticipate where we think legislation is likely to go, but Government policy will decide the constraints placed on businesses, and our job is to find the companies that can thrive and create value within those constraints.

Where we set boundaries which restrict investment in certain areas for non-financial reasons, over and above those set out in legislation, it is important that our clients know exactly where these are and why, as such boundaries can come with a cost. Hence, we do not set any boundaries lightly. Where we do, we are often addressing areas which arise from the gaps that exist in the legislation dealing with how the West trades with emerging economies and countries run by oppressive regimes. In particular, we have adopted a set of principles, referred to as 'Clean Trade'.

We have a number of core principles and beliefs that shape our general approach to ESGH integration, which we articulate as follows:

Resist financialisation
We believe that the ethics of finance are improved as the underlying investors' knowledge of and understanding of what they are investing in improves, and that financialisation (the process where investments are abstracted into mere numbers or indices) works directly against this.

Fund Manager-led process
We believe that the work on ESGH factors and the engagement on them with executives at investee companies needs to be done by the fund managers making the decisions, supported by, but not outsourced to specialists.

Maintain independent judgement
We believe that active fund managers should preserve independence of thought, whilst engaging critically with broad debates that arise on these topics within the industry and being willing to change our minds if the evidence changes, or if stronger arguments emerge.

Be wary of overstatement
Fund managers who overstate the impact that their work can have on specific non-financial goals will create unrealistic expectations, and these may be damaging in their own right. If by giving the impression that something substantial is being done where it isn't, they diminish the perceived importance of sound policy making, strong public institutions and international co-operation in solving the big problems we face today.

Analyse the unintended consequences
It is striking how often a well-motivated policy intention achieves the exact opposite when applied in the

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real world. One way to help avoid this in ESG thinking is to ask this question: if everyone in the market were to adopt the same approach, would the adverse consequences outweigh the possible benefits?

The following is an outline of the kinds of ESGH considerations that Amati takes into account as part of its investment process:

Environmental
Examining issues arising from supply chains, climate change and contamination. Amati looks for management teams who are aware of the issues and are proactive in responding to them.

Social
Seeking to avoid unequivocal social negatives, such as profiting from addiction or forced labour and to support positive impacts which will more likely find support from customers and see rising demand.

Governance
Examining and, where appropriate, engaging with companies on board membership, remuneration, conflicts of interest such as related party transactions, and business leadership and culture.

Human Rights
Adopting and advocating a Clean Trade (http://www.cleantrade.org/) approach, which means avoiding companies that tacitly support the most oppressive regimes and engaging positively with those that uphold Article 1 of the International Covenants on Civil and Political Rights, particularly in relation to the extraction of natural resources.

Controversial sectors
There are no sectors in which we are not, in principle, willing to invest. There was a view held by some 'ethical' funds that the defence, tobacco, gambling and alcohol sectors should be avoided completely. We have always viewed this approach as facile, whilst also recognising that in these industries the justification of all practices as "following the rules of the game" is not sufficient. In these sectors, to which we would add natural resources, a wide space opens up which requires ethical judgement and nuanced debate. We explore these issues in greater depth in our Environmental, Social, Governance and Human Rights Statement (Parts I & II), which can be found at: https://www.amatiglobal.com/our-values.

In terms of external validation and support, Amati was a long-standing Tier 1 signatory to the UK Stewardship Code 2012, and subsequently met the expected standard of reporting against the revised UK Stewardship Code 2020, becoming a signatory in March 2022. Amati is also a signatory to the UN-supported Principles for Responsible Investment (PRI), which works to support its international network of signatories in incorporating ESG factors into their investment and ownership decisions. The PRI acts in the long-term interests of its signatories, of the financial markets and economies in which they operate, and ultimately of the environment and society as a whole. Amati is also a supporter of the Task Force on Climate-related Financial Disclosures (TCFD), which was created by the Financial Stability Board (FSB) to improve and increase reporting of climate-related financial information. Noting that the TCFD recommendations have been incorporated into the International Sustainability Standards Board (ISSB) standards, we will keep our approach under review as reporting expectations evolve. In this regard we have been working with the ACD of our UCITS funds to begin the process of disclosing climate-related information in alignment with the TCFD framework. Since the publication of the inaugural 2023 climate risk reports for each of our UCITS funds and, going forward, these reports will compare prior years' data to enable us to see how our portfolio holdings are evolving towards becoming less carbon intensive. We have not as yet set targets to reduce our portfolio holdings climate risk impact, nor has the ACD and co-manufacturer of the WS Amati Investment Funds, Waystone Management (UK) Limited, however this will

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be continually reviewed. These reports are published on Waystone's website at: https://www.fundsolutions.net/uk/amati-global-investors/ws-amati-investment-funds/.

In addition, in light of the FCA's Sustainability Disclosure Requirements (SDR) and the clear direction of travel on sustainability-related reporting, we have enhanced our internal ESGH templates to capture greenhouse gas (GHG) emissions data for our portfolio holdings, including Scope 1, Scope 2 and Scope 3 emissions, where available. This will help us to monitor progress in reported emissions over time and to support ongoing reporting in this area as well as deeper collaboration with the ACD.

Clean Trade

As institutional investors in small cap equities, broadly defined as companies which represent the bottom 10% of the stock market by market capitalisation, plus AIM, we will in some cases become significant shareholders in investee companies. As part of a more recent development we also invest internationally in small and mid-cap mining companies with operations all over the world, as well as global companies in the innovation space, which adds moral complexity to the already challenging dynamics involved. In addition, as VCT managers, until 30 April 2025, we are involved with funding companies directly, at very significant points in their development. At these moments we have the ability to make a difference to the stewardship activities and policies of these companies and it is where the dialogue between fund manager and company executive tends to be at its most open. We take seriously our responsibility to be a positive influence on the companies in which we invest, expecting high standards of corporate governance and social and environmental responsibility from executives, which we believe are in the best long-term interests of shareholders.

Over more recent years, however, we have realised that the broad principles outlined above, specifically in relation to companies in the natural resources sector, do not go far enough, in the sense that the "curse of oil" phenomenon is far more destructive and self-perpetuating than we had supposed. This re-evaluation was influenced by the thinking of Leif Wenar, author of Blood Oil: Tyrants, Violence and the Rules that Run the World (Oxford University Press, 2016), with whom we have been working to establish criteria for avoiding investing in resource cursed countries, where such investment is more than likely to prolong the rule of an oppressive regime, and which outweighs the positive impacts of foreign investment on the local population in terms of economic development.

Following on from his work in the area, Prof. Wenar founded the Clean Trade organisation, of which Paul Jourdan, our CEO, is a founder trustee. The Clean Trade principles, which we apply to potential investee companies across our funds, essentially concern an interpretation of Article 1(ii) of the International Convention on Civil and Political Rights, which states: "All peoples may, for their own ends, freely dispose of their natural wealth and resources without prejudice to any obligation arising out of international economic cooperation, based on the principle of mutual benefit, and international law." Clean Trade argues that where the level of freedom in a country falls below certain thresholds, there can be no reasonable expectation of the Article being satisfied. We would therefore avoid companies operating in countries with authoritarian regimes, where civil liberties are compromised and where governments are not accountable to its citizens.

When considering these issues, we use as a starting point the Freedom House scale (https://freedomhouse.org) which rates access to political rights and civil liberties in 210 countries throughout the world. The combination of the overall scores for political rights and civil liberties, on a weighted basis, determines the status of each country as 'Free', 'Partly Free,' or 'Not Free.' This methodology produces a wide range of outcomes, but as a general rule we would need to be convinced on a number of ethical, legal and constitutional questions in respect of any country scoring such that it led to a status of 'Partly Free' or 'Not Free', and in any case would not invest in countries scoring less than 15.

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For countries scoring between 15 and 33, where they are defined as Not Free, we require a reasonable explanation, such that the following three questions can be answered positively: i) Does the population of the country have access to the information about the terms under which resources are being extracted? ii) If they don't like the terms, can they protest safely? iii) If they protest, is there a fair chance of being taken notice of? In short, the benefits of foreign investment in terms of economic development would need to outweigh the costs to human rights more generally and the risk of legitimising regimes which use natural resources revenues to drive oppression.

We raise the bar extremely high in this regard and do not hesitate to exclude any stocks that do not satisfy these criteria, albeit that we always start from the position that foreign investment can bring benefits to developing countries. This is an area our stewardship of our funds is at its strongest and most interventionist. Indeed, we have declined what would have otherwise been excellent investment opportunities on 'Clean Trade' grounds, in respect of companies otherwise appearing to have good ESGH credentials (and often including a commitment to reporting under the United Nations' Sustainable Development Goals). Notwithstanding the fact that in each case the economic 'multiplier' would have been significant for the local population, ultimately we could not get comfortable, when seen through the lens of the Clean Trade principles, with investing in resource-cursed countries, where civil liberties and political rights are compromised and where we could not be convinced, on the balance of probabilities, that the resultant tax revenues would not be used to legitimise corrupt regimes.

Amati is actively investing in companies which are involved in facilitating the energy transition, and indeed launched a fund (the WS Amati Strategic Metals Fund) for the very purpose of enabling retail investors to gain exposure to the risks and opportunities associated with the metals that will drive global decarbonisation in the context of the Paris Agreement. Our clients have responded very positively to the approach that we are taking, recognising that these metals are essential to the 'electrification' of the world, but at the same time not willing to compromise on human rights and to contribute to environmental degradation.

Sources

The source of our ESGH external scoring data, to the extent that we rely on such data, is Refinitiv, which has one of the most comprehensive databases in the industry, albeit that the information is incomplete as it relates to a significant proportion of our investment universe. However, as more companies at the smaller capitalisation end of the market report more fully, either because of moral pressure or regulatory reach, this information will become more available and could in time help to a greater extent with our due diligence and monitoring process. We will continue to engage with Refinitiv and improve the interface between their portal and our systems so as to capture the relevant data. We monitor the performance of Refinitiv carefully and flag any performance issues or problems with the integrity of the data. During the period under review, we continued to work with Digbee, a leading platform for the disclosure and accreditation of ESG data for the mining industry, which has since proved to be a valuable adjunct to our existing process in relation to such companies. The platform allows mining companies of all sizes to disclose their ESG activities using a set of mining-specific frameworks that align with over 25 global standards. Once submitted to the platform, the data are analysed by an independent third party that assigns a score and delivers a qualitative ESG assessment. Another service provider we continue to use to support our framework is Auquan, a Portfolio Intelligence Engine, which uses AI to reveal financially material insights from unstructured data, in order to produce comprehensive datasets on ESG topics to uncover issues relating to operations and supply chains across all of Amati's portfolio companies. We find this particularly useful to discover global news articles which may not be found when undertaking our own research. It can also uncover negative and positive reports which companies themselves may not necessarily provide on their own corporate websites. As early adopters of Auquan, we have a close relationship with the founder and we continue to provide feedback to assist with product development.

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Clients / beneficiaries

Our investor base is comprised of retail investors resident in the UK, the majority being the clients of wealth managers and other intermediaries, advised and execution only, and across the major fund platforms. Our funds are marketed as long-term savings vehicles, with a recommended investment horizon of 5 years or more. The defined target market for our funds is that which captures investors seeking long term capital growth, having a medium to high risk tolerance and being willing to accept significant price volatility in exchange for the potential to achieve higher returns. Investors in the VCT and in our IHT product also enjoy significant potential tax benefits. We make it clear that our products are not suitable for those investors who have a very low tolerance for risk or seek full or partial capital protection.

WS Amati UK Listed Smaller Companies Fund. The fund has been managed by Paul Jourdan since August 2000 and as at 31 December 2025 had assets under management of £126 million. The other members of the current investment team are Gregor Paterson, who joined Amati in July 2024 as co-manager of the Fund, together with Hamish Galt, who joined Amati in 2020 as a dealer and has recently been promoted to Junior Analyst. The fund aims to achieve long term capital growth through investing in a well-diversified portfolio of UK smaller companies, which is consistent with the IA UK Smaller Companies sector definition, but includes in scope all stocks beneath the index of the UK's largest companies. The portfolio is therefore spread across medium and small capitalisation stocks on the London Stock Exchange Main Market and AIM. The performance of the fund has been recognised in a number of awards and ratings. The benchmark for the fund is the Deutsche Numis Smaller Companies Index (plus AIM, excluding Investment Companies), Total Return, although the fund is not constrained by, or managed to, the index. The beneficial shareholders are retail clients and are almost entirely UK-based, and the investment horizon is 5 years or more.

WS Amati Strategic Metals Fund. The fund has been managed by Georges Lequime and Mark Smith since its inception in March 2021 and as at 31 December 2025 had assets under management of £98 million. The Fund aims to achieve long term capital growth through investing in a well-diversified portfolio of internationally-listed metals and mining companies whose primary revenues are sourced from the sale of strategic metals. These metals, deemed to be of strategic importance to the global economy and future macro-economic trends include, but are not limited to, gold, silver, platinum group metals, copper, lithium, nickel, manganese, and rare earth metals. The fund invests in mining companies listed in London, US, Canada, Australia and other developed markets. The benchmark for the fund is the MSCI World Metals and Mining Index, Total Return, although the fund is not constrained by, or managed to, the index. The beneficial shareholders are retail clients and are almost entirely UK-based, and the investment horizon is 5 years or more.

WS Amati Global Innovation Fund. The fund has been managed by Mikhail Zverev and Graeme Bencke since its inception in May 2022 and as at 31 December 2025 had assets under management of £32 million. The fund aims to achieve long term capital growth through investing in companies listed on global markets that create value from innovative products, services and business models that address key challenges facing businesses, consumers and societies at large. This will include traditional areas of innovation such as information technology, communication, healthcare and industrials as well as new areas of innovation addressing incremental business and societal development challenges, which the fund manager considers to be strategic in character and where the impact of such innovation is not fully priced in by the market. The benchmark for the fund is the MSCI ACWI, Total Return, although the fund is not constrained by, or managed to, the index. The beneficial shareholders are retail clients and are almost entirely UK-based, and the investment horizon is 5 years or more.

Amati AIM IHT Portfolio Service. This service, which is managed by the UK Equities team, was launched by Amati in August 2014 and as at 31 December 2025 had assets under management of £36 million. The Service operates on the basis of a Model Portfolio of AIM-quoted stocks, which provides the template for

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the discretionary management of portfolios held by clients of wealth managers and other intermediaries. The stocks chosen for the Model Portfolio are those that to the best of our knowledge are likely to qualify for Business Property Relief ('BPR'), and as such could potentially provide up to 100% (50% from April 2026) inheritance tax relief after a holding period of 2 years. The benchmark for the fund is the Numis Alternative Markets Index, Total Return, although the Service is not constrained by, or managed to, the index. As this is a tax-advantaged investment vehicle the shareholder base is retail and all clients are resident in the UK for tax purposes. The investment horizon is 2 years, that being the holding period to qualify for BPR, albeit that the shares must be held on death, which means that the effective time horizon is much longer than 2 years.

Amati AIM VCT plc. The fund has been managed by the UK equities team at Amati since it was awarded the mandate in March 2010. The investment objective of the VCT is to generate tax free capital gains and regular dividend income for its shareholders, primarily through Qualifying Investments in AIM-traded companies and through Non-Qualifying Investments as allowed by the VCT legislation. The fund holds a diversified portfolio across a broad range of sectors to mitigate risk. Subscribers for new shares in the VCT benefit from the strength and depth of the maturing portfolio of companies built up over many years. The benchmark for the fund is the Numis Alternative Markets Index, Total Return. As this is a tax-advantaged investment vehicle the shareholder base is retail and is almost entirely UK-based. The investment horizon is 5 years, that being the length of time which shares must be held in order to retain the initial income tax relief. The mandate for the management of the fund was transferred to Maven Capital Partners UK LLP with effect from 1 May 2025.

Assets under Management (AUM)

As at 31 December 2025, Amati had assets under management of approximately £291 million. Amati focuses on small and mid-sized companies, with a universe ranging from the constituents of the FTSE Mid 250 and FTSE Small Cap indices, to stocks quoted on AIM and, in recent years, to companies listed on international markets.

Approximate AUM breakdown by strategy as at 31 December 2025 (%):

- WS UK Listed Smaller Companies Fund: 43%
- WS Strategic Metals Fund: 34%
- WS Global Innovation Fund: 11%
- Amati AIM IHT Portfolio Service: 12%

Please refer to the Introductory Statement in our annual **Activities & Outcomes Report** for the most up to date fund-by-fund AUM breakdown.

How this informs our approach to stewardship

Research coverage is broadly divided up by sector, with due diligence on each investment (and prospective investment) being led by one member of the relevant team, who will present a case for the investment and make a recommendation on it, which will be updated over time during future monitoring reviews. This is then put to the other members of the relevant team for challenge and debate. Our research will aim to encompass a consideration of the governance arrangements for each company and, if contentious, will always form part of the evaluation made by the team. If we find particular aspects represent poor practice we will look to find ways of sending feedback to the company concerned, normally via the broker or NOMAD. We will generally hold regular dialogue with the directors of investee companies. Whilst our regular contact tends to be with the executive management team, we also think it is important to have points of contact with non-executive directors, and this is becoming increasingly common.

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Our point of maximum engagement tends to be when making qualifying investments for Amati AIM VCT, which involves dealing with companies that are raising money and hence are generally at their most receptive to suggestions about corporate governance issues. This is particularly true of IPOs on AIM, for which VCTs can play a crucial role, but it can also be true of investments made by our other funds when companies are raising money. We have on a number of occasions had our proposed governance changes accepted and implemented prior to an IPO, for example persuading a board not to issue non-executive directors with options so as to retain their independence in overseeing management incentive schemes or advising on appropriate salary levels. In doing so we need to establish a high level of trust with the company's management, and it would not be helpful in these relationships if we published details of our role on a case-by-case basis. In some cases where the VCT has taken significant stakes in companies in supporting fund raises, we have negotiated rights to appoint either board observers or directors.

Beyond this, as active investors in UK quoted companies our investment approach is based around dialogue with the senior management, both of companies that we invest in on behalf of clients and those that we research. We would normally expect to see or talk to members of the executive management of investee companies at least once a year, and in many cases more frequently. In this ongoing dialogue we will often raise governance issues, where there are relevant issues to discuss such as board diversity, management appointments, executive remuneration, employment practices, environmental considerations and corporate responsibility.

In certain specific cases, where in our view there are important matters of principle being disregarded and which we believe will have a significant impact on shareholder returns, we will engage with other parties involved with the company, whether they be nominated advisers to the company or other shareholders. Such intervention will generally include seeking the participation of other shareholders and company advisers, and is unlikely to be made public, or to involve the media.

We are involved in quarterly dialogue with other VCT fund managers via the AIC's VCT Manager Forum, which provides a natural forum for raising matters of both general and specific corporate governance amongst a wider group of fund managers. However, as a relatively small fund management business we recognise that we are likely to have an influence only on the smaller investee companies in which we hold significant stakes, and the way in which we engage with companies will reflect this. Where we have less leverage we may choose to sell an investment if we see little chance of resolving a matter of corporate governance to our satisfaction.

We will generally vote on all company resolutions put to shareholders, and as a matter of principle we would vote where we see a matter of particular significance, or where we are responsible for a significant stake in the business. We do not delegate voting control to a third party, nor do we subscribe to an advisory service in relation to voting. However, because our fund managers are directly engaged in assessing the corporate governance of investee companies and because we invest primarily in small and medium sized businesses, the kind of feedback we give directly will often be more influential than any votes we might have cast at a company meeting. Conversely we are likely to have less influence on the larger companies in which we invest.

B

Governance and resources

B Describe how your resources enable effective stewardship

At Amati the client is central to the business. We are values-driven, with strong leadership and an integrated approach to investment and a somewhat non-hierarchical structure – research, due diligence and post-trade analysis and monitoring are carried out by the same teams and are not delegated to third parties. Stewardship, engagement and ESGH matters are integrated into the investment process and are not an adjunct to the process. Ownership of stewardship decisions is taken by the individual manager concerned, after which a consensus view is reached in collaboration with the investment team, while supported by the compliance function. Due diligence and investment conclusions are recorded on our proprietary ConneX CRM system, which enables recommendations to be reviewed and voted on by the team, as well as an assessment and analysis of the quality of research inputs into the process.

People, roles and organisation

During the period under review, Amati's UK Equities team comprised of three Edinburgh-based fund managers, supported by two research analysts, working collectively on the WS Amati UK Listed Smaller Companies Fund, Amati AIM VCT and the Amati AIM IHT Portfolio Service. Research, due diligence and investment management activities are combined in the one team. A team of two fund managers have primary responsibility for the WS Amati Strategic Metals Fund and another team of two fund managers (one based in Edinburgh), have primary responsibility for the WS Amati Global Innovation Fund, albeit that there is constant dialogue between the teams on areas of common interest, and all research is shared on our proprietary system. As at 31 December 2025, the team structure had changed, following the departure of an Edinburgh-based fund manager and a research analyst, whereby the remaining research analyst was promoted to fund manager, and an additional junior analyst position was created to support the UK Equities team. Another analyst works across the teams to support the firm's stewardship activities and to assist the fund managers in the integration of environmental, social and governance considerations into the investment process.

Our organisational structure under SM&CR allows for oversight and clear lines of responsibility. The fund managers, supported by the compliance function, lead on stewardship and ESGH considerations, which we firmly believe should, in the first instance, be driven by those individuals managing the assets and not by proxy advisers or external teams. Paul Jourdan, our CEO, is ultimately responsible for the stewardship activities of the firm, which are approved at board level, monitored at senior management level and implemented by the investment team. Paul has excellent credentials in this area and is a founder-trustee of Clean Trade, a UK charitable organisation. The Compliance function supports and has oversight of these activities, led by the Head of Risk and Compliance, who acts independently of the executive and has a direct reporting line to a non-executive director on the Board of Amati. The senior management team comprises the 3 executive directors of Amati, the Head of Sales and Marketing, the Head of IT and the Head of Risk and Compliance. The CEO is also a member of the investment team, which as at 31 December 2025, is comprised of six fund managers, one junior analyst, and one stewardship analyst, the latter providing support across the strategies in the integration of ESG considerations into the investment process. These are all experienced investment professionals, for whom stewardship and governance has always been integral to their investment approach, albeit that it has become more formalised in recent years. These individuals come from a variety of backgrounds, with a range of qualifications, and with each member of the team taking responsibility for the approach to stewardship in relation to each company in their sector or thematic area of interest. We believe however that stewardship does not just rest with the board, the senior management and the investment team; this is a top down and bottom-up process, and every member of staff has a part to play, and indeed a moral and regulatory duty, to achieve the best outcomes for investors and to be responsible guardians of client assets. Further, to achieve these aims fully, we acknowledge that we must shape a diverse and inclusive workplace, where we respect and value difference, whether that be by virtue of culture, gender, education, religion, sexual orientation, national origin, or any other characteristic. Above all we value diversity of thought, in the absence of which firms are susceptible to groupthink, which can lead to narrow perspectives and the absence of internal critique or challenge.

B Describe how your resources enable effective stewardship

We are conscious of the need to make sure our resources in this area are commensurate with our ambitions and are pleased to note that we have in place a specialist practitioner to support the firm in its stewardship activities. This individual formally reports to the Head of Risk and Compliance but also has a reporting line to our CEO. We believe that the creation of this role is an important statement of intent by Amati - most boutique firms do not have a dedicated resource in this area.

We have developed a diversity and inclusion policy at board level, which seeks to achieve our desired outcomes in attracting and retaining talent, while at the same time constituting a fair, transparent and merit-based recruitment process. We achieve this by seeking to capture as wide a pool of potential applicants as possible, which includes those applicants from backgrounds under-represented in financial services, whether that be by virtue of having a protected characteristic or by a lack of social mobility. Regarding the latter we are deliberately proactive, and work with two charitable organisations which forward candidates for consideration.

Our governance structure is relatively non-hierarchical and works well in supporting stewardship. It is simple and transparent and without layers of responsibility or hiding behind committee structures. We are making continuous improvements to our systems to support stewardship, as well as developing tools to integrate a wider range of data and other inputs into the decision-making process. In particular, we have created our own taxonomy for ESGH considerations.

Training, culture and capabilities

We have a comprehensive training programme, the purpose of which is to instil and embed our core values throughout the firm. At induction every staff member is given a training needs analysis which explores how an individual's role can be developed in the context of the Code of Conduct as set out in the Senior Managers and Certification Regime (SM&CR). This is also an opportunity to reinforce Amati's core values. Code of Conduct training is also undertaken annually by all staff. We are also continuing the process of embedding the principles and cross-cutting rules of the Consumer Duty across our business. The Consumer Duty sets higher standards of conduct and consumer protection across financial services and requires firms to act to deliver good outcomes for retail customers.

With the above in mind we have enhanced our firm-wide training on the SM&CR and Consumer Duty frameworks, which is used as an opportunity to discuss values, ethics and integrity at an individual and group level and to embed further our core values throughout the organisation. We had previously enhanced this programme to include an element focusing specifically on stewardship and governance, both during the induction programme for new starts and within our annual firm-wide training programme, and this has been further strengthened during the period under review.

The scale of our ambition in this area is underlined by the decision we took previously to increase our resource by creating a new role within Amati to coordinate and develop our stewardship activities. We feel that this is a sign of our commitment in this area and a recognition that it is of sufficient importance to warrant a dedicated resource, as opposed to being a marginal activity carried out by the compliance function. ESGH is rapidly gaining momentum in the industry, and we are increasingly being asked to explain our approach to these issues to existing investors as well as prospective investors. We are never complacent and are constantly challenging our own thinking in this area.

Systems, data and tools

We have bespoke systems for capturing due diligence and investment conclusions, which have been subject to an ongoing series of enhancements in order to integrate stewardship and ESGH into the investment process. These considerations have always been implicit in our investment process, but in recent years we have recognised the need to formalise our approach to a degree, while resisting it

B Describe how your resources enable effective stewardship

becoming a mechanistic process. This also feeds into our reporting against the Principles for Responsible Investment (PRI), to which we have been signatories since December 2018 and relating to which there is significant crossover with our stewardship responsibilities, especially in relation to the risks arising from climate change. We are using the resources available from the PRI to drive an ongoing process of improvement in our ability to capture these risks and to more fully articulate our response to them, for the benefit of all stakeholders.

Our PRI Transparency Report 2025 and Assessment Report 2025 are available at: https://www.amatiglobal.com/our-values.

The research budget is increasingly being used to purchase content from independent providers not conflicted by virtue of providing execution services. Our main provider for fundamental research and analytics, Refinitiv, has approximately 10,000 ESG and stewardship data points available and we have also developed internal systems to capture with more precision the risks and opportunities in this area. In addition we use Auquan, an AI-driven platform which provides data and insights on ESG-related controversies and adverse events. Notwithstanding the above, we choose not to rely solely on external providers in this area, believing that matters relating to ESG and stewardship involve fine judgements rather than numerical abstractions, and which require detailed knowledge of the businesses involved, something which the fund managers themselves are far better placed to acquire and on which to form sound judgments. For this reason we do not outsource research in this area to third parties; rather it forms an integral part of the due diligence and investment appraisal by our fund managers.

In order to integrate ESGH into our investment process we have added 'ESGH' fields to our CRM system, so that the fund managers' consideration of these issues and any relevant engagement with prospective or current investee companies can be recorded with a clear audit trail. In parallel we have developed our own ESGH taxonomy and scoring system, based on targeted questions to investee companies and with a view to capturing the most important ESGH (including human rights) metrics and information, both qualitative and quantitative, which are relevant to our approach and philosophy. In the environmental area we are most interested in the carbon intensity of investee companies' operations and supply chain, and their efforts to reduce emissions; in the social sphere we try to determine whether there are exploitative practices in the workforce and supply chain, as well as exploring issues such gender balance and diversity; in terms of governance we will look at board structures, management ownership and remuneration; and in the human rights sphere we look at companies' supply chains and the levels of freedom and commitment to human rights in the countries of operation, especially in relation to the extractive industries. This is an ambitious project and is part of a continuous process of enhancing our systems in order to more fully integrate analysis, research, engagement, investment conclusions and reporting, and which also feeds into our reporting under the Principles for Responsible Investment. In the upcoming reporting period, the next stage of this project will focus on initiating the digitalisation of the ongoing annual data collection process. This will involve developing our system to more efficiently and accurately capture, store, and analyse data relating to the progress our investee companies are making towards achieving their net zero targets. This will enable more timely insights that will support better tracking of climate-related performance over time and will strengthen our ability to monitor sustainability commitments, while aligning our reporting capabilities with industry best practices.

Incentives and remuneration

Managers are not incentivised by narrow performance targets. The fund managers share in the general success of the business and there are no perverse incentives to take disproportionate risks.

Our remuneration policy is designed to incentivise and reward key members of the senior management and risk-takers of the business, while at the same time promoting effective risk management and subject to an annual appraisal of individual performance.

B Describe how your resources enable effective stewardship

The level of variable remuneration is determined by a formula which allocates points to an individual's role based on good performance, and which covers all aspects of the investment process, including stewardship and ESGH considerations. Our incentive structures are aligned with our stakeholders and there is no direct link between investment performance and variable remuneration. All variable amounts are distributed as cash annually and there is no remuneration in the form of shares or share-linked instruments.

Our Remuneration Disclosure is available at: https://www.amatiglobal.com/regulatory-information.

C

Policies, processes and review

C Describe your stewardship policies and processes, and how you review them

Stewardship Policies & Processes - Engagement

Open and constructive engagement with companies is integral to our process, both before and after investment. The engagement is often directly with the company, unmediated by investor relations' departments or brokers. In the first instance our approach is always discreet and non-confrontational, as we believe that this ultimately produces better outcomes for the company and our clients alike. The fund managers are central to the process, which is not delegated to a separate team, and for which they take collective responsibility. We generally have good access to the executive directors, the chair and non-executive directors, the latter being critical to the process, as they can influence voting, remuneration, executive performance, board diversity, board succession and strategy. Our maximum engagement tends to be when a VCT-qualifying company is raising money, although this holds true for most companies in our universe that are raising money. As specialists in small cap and AIM stocks we have a much closer and personal relationship with our portfolio companies than what would be the case for a large cap manager, and this is where we have a significant amount of leverage to make sure that stewardship considerations are not overlooked, and indeed are strengthened. Many companies at the lower end of the market have inexperienced management teams and weak governance structures, and we often find that the management of these companies are very willing to leverage our experience and to work with us on shaping deals, to the ultimate benefit of both the issuer and our clients. Thus we believe that, given the nature of our universe of companies and the mutually beneficial relationships that are created and maintained, in what is a relatively small ecosystem, our broad approach of constructive engagement ultimately leads to better outcomes for our clients than a more adversarial approach.

Our engagement process is, broadly, that we conduct due diligence on the potential investee company, usually with the CEO and FD, but also with the Chair or a non-executive director if there is a need to challenge any governance or remuneration arrangements; ongoing monitoring of investee companies, which typically involves two meetings a year with the company as well as regular interactions with analysts and brokers; addressing problems or issues, which again we would seek to address through dialogue with the senior management and board, and ultimately through escalation if necessary; regular discussions between the investment team on the status of the investment, the engagement strategy going forward, whether to hold/add or, if the investment thesis (of which stewardship considerations form an integral part) has been weakened or undermined, to reduce the holding or disinvest; and finally an analysis of the outcome or impact of any engagement or escalation that has taken place in relation to the investee company.

Our engagement approach does not differ markedly for different funds or geographies, although given our focus on human rights, political freedom and exploitative practices, we would typically be more assertive and interventionist in respect of companies in the extractive industries, which often have operations in emerging and developing economies. We have certain red lines in this area, such as levels of democracy and the right to legitimate protest, which would clearly render ineffective a policy of non-adversarial constructive engagement.

We clearly need to prioritise our engagement activities, with the aim of achieving the best outcomes relative to both the resources at our disposal and the leverage we have with each investee company. The important factors for us are the materiality of the position, the likelihood of successful engagement, any fundamental points of principle (e.g. human rights or exploitative practices) and alignment with our core philosophy and values.

The monitoring of investee companies is central to Amati's business and is conducted by the fund managers, supported by our specialist practitioner (in relation to ESGH and stewardship considerations) and the compliance function. Monitoring will include reviewing all statutory company announcements, reports and other shareholder circulars, as well as research published about the company by sell side analysts. Fund managers spend a great deal of their time meeting company management teams as part

C Describe your stewardship policies and processes, and how you review them

of their appraisal of a company's prospects, business quality, and value. We aim to invest in companies which are well-managed, with sound corporate governance, and a clear focus on producing long-term shareholder returns. We will regularly engage in debate with management teams about business strategy and governance issues and view private meetings as the best forum for doing so.

Electronic records of company meetings are made and stored in Amati's research database. Generally, Amati will not attend AGMs or send a representative to do so. We find that the direct engagement we have with management teams and their corporate finance advisers provides sufficient representation for our views.

If an investee company is found to be in clear breach of the UK Corporate Governance Code then Amati will expect to make some direct representations to the management and will consider whether to vote against resolutions put to a general meeting.

Amati will not seek to hold inside information on a company unless this is in relation to a specific fund-raising activity across a limited time period. If inside information is obtained inadvertently this will be recorded in Amati's dealing system, and the funds will not be able to deal further in shares of that company until the information has either become public or has become no longer relevant or price sensitive.

Amati will regularly engage with the directors of investee companies over matters of business strategy, corporate development, remuneration, management incentivisation, succession planning and corporate communication, with a view to maintaining and enhancing the value and effectiveness of the business. During the period under review we have been consulted on a number of occasions by non-executive directors who chair Remuneration Committees for investee companies.

Collaborative Engagement

There are some situations where collaborative engagement is important and appropriate. This can be the case where our leverage is less due to holding a relatively small position in the company, or a point of principle relating to which there is broad agreement about the outcome required on the part of our industry peers and where what is at stake is not price sensitive (and thus would make a collaborative engagement difficult or inappropriate under MAR). As we get bigger we have more leverage over companies and find that approaching them individually is usually more appropriate and can often be sufficient, although we do engage with other investors where we believe that we can add value and where it is in the best interests of the investee company and ultimately our clients. During the period under review this has been the case in relation to one of our unlisted private holdings, where we have an investor director on the Board who sits along with another director representing the other main investor within the share class. The other main investor was a co-investor at the time of our initial investment and we continue to work together on matters of governance and strategy, where it is appropriate to do so and where it is in our mutual interest. From time to time we also seek observer rights at the point of investment, which we exercised in connection with a UK listed company at its initial public offering, and as a result have much more insight into the governance of the company and a greater opportunity for dialogue and constructive challenge.

These were important engagements for Amati and we aim to engage in this way more in the future, recognising that collaborative engagement is an important stewardship activity and in order to align with the Code more fully.

Escalation

Escalation would typically begin at a relatively early stage, where we believe an investment thesis has been undermined, and which would include the consideration of governance issues as a matter of course -

C Describe your stewardship policies and processes, and how you review them

indeed, governance issues can often be at the very heart of the problem, the resolution of which can be the key to restoring a company's fortunes. A plan for action/engagement is developed at daily investment meetings, informed by our priorities for engagement, and led by the fund manager responsible for that company and whose initial investment conclusion led to the purchase. Escalation would occur through the broker, or equally we can go direct to the investee company where the relationship makes this possible. In our investment universe this is indeed possible much of the time, given that even relatively modest positions for the fund can represent a significant ownership in the portfolio company. We would usually seek to meet the chair or an independent non-executive director to outline our concerns and get a sense of whether the issues identified can be resolved within an acceptable time frame and with a view to obtaining the best possible result for our clients. If the concerns are serious or the initial discussions have not been productive, we may send a formal letter to the company and its advisers and, exceptionally, we would seek to requisition an EGM. At this point we may contact other investors, where appropriate, and where there are no considerations under MAR.

It is worth stressing that Amati is not a typical "activist investor" in the sense that it will make a new investment with a view to bringing about change directly in a company. We will make new investments on the basis that we believe the companies to be well managed. Where we find that this turns out not to be the case, or an issue of governance arises which we feel compromises our investment, we will initially raise our concerns at meetings with management, or else through the company's advisers. Where this proves ineffective, we may begin dialogue with other shareholders with a view to building a consensus strong enough to influence change. If this proves not to be possible, or ends in failure, we are likely to sell the investment.

Issues that would prompt an intervention on our part include:

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

We will always seek to work constructively with boards of investee companies and recognise that in most cases the directors have access to fuller information than we do, and are normally best placed to form judgements over the best means to enhance shareholder value. In practice we do not find it conducive to our investment style to escalate an issue to the extent of requisitioning an EGM, although we would never rule this out. We are in a constant process of dialogue with our investee companies, and we feel that it is far more effective to remain constructively engaged with them, rather than escalating the issue and potentially to lose the ability to influence the company in more subtle ways. The same could be said of public statements – our close relationship with these companies is one of our strengths, and in our view a strategy of constructive engagement is for us a far more effective way of influencing companies in the area of corporate governance and with the ultimate goal of enhancing shareholder value. However, if the above strategy turned out not to be successful, Amati would, in exceptional circumstances, be prepared to act on its own, or in conjunction with other shareholders, to requisition an EGM to propose changes to an investee company's governance structure.

Where we cornerstone investments or participate in pre-IPOs, this gives us the maximum amount of leverage with prospective investee companies, in which case we always pay particular attention to board representation (including gender balance and diversity), share options and share incentive schemes. This is especially the case for the VCT, where rule changes in recent years have steered VCTs towards earlier stage investments, and where even a relatively modest investment as a percentage of the VCT's assets can

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represent a significant investment for investee companies and be critical to their success. It is important to note, however, that these interventions do not always fully succeed, in which case we take a view on a case-by-case basis and may decide not to proceed with the investment.

Our Stewardship and Shareholder Engagement Statement can be found at: https://www.amatiglobal.com/our-values.

Voting Policy

Although Amati is a relatively small fund manager we will generally vote on all company resolutions, 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.

In the past, our approach was to disclose our voting record at particular company meetings on request. However, in the interests of transparency and accountability we make available monthly disclosures of our complete voting record on our website. As part of our engagement process, we may inform companies in advance if we intend to vote against a board recommendation, and if we have not sold the holding we will continue to engage with the company. However, before that stage is reached we would do everything possible to persuade the company not to put forward resolutions at general meetings that would potentially be voted down, believing that it is far better for all parties for differences to be resolved before a confrontation develops and reputational damage is sustained by the company, to the detriment of all stakeholders.

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 constructively. 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 at 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.

As we do not have segregated accounts we have a clear and consistent policy across all our funds. We do not lend stock, believing that such a policy would be of only marginal benefit to our clients and would be outweighed by the loss of voting rights and the consequent inability to act in the interests of our clients. We do not use proxy advisers at present, believing that these decisions should be made by those managing the money and not outsourced to third parties, however we are exploring whether a proxy adviser could inform our process by providing more information on investee companies than we are able to gather ourselves within the constraints under which we operate. It is understood that under any scenario we would still make the final decisions on voting and would not hesitate to vote contrary to the recommendations of any third-party adviser. To date our clients have not overridden or challenged our house policy in relation to voting, as our approach and philosophy has been understood and embraced by our main fund clients (the ACD of our UCITS funds and the board of Amati AIM VCT) at the outset. In addition, regular dialogue takes place in order to bring our clients with us as our thinking evolves.

C Describe your stewardship policies and processes, and how you review them

In terms of client disclosure, we do not usually disclose our direct engagement with companies, taking the view that such disclosure could amount to a breach of trust which could be counter-productive in achieving the result we desire. We do however report on specific engagements to our VCT client board members (up to 30 April 2025) and are happy in principle to discuss stock specific issues with investors in the other funds that we manage, providing it does not prejudice the outcome of any current engagement with an investee company.

For the above reasons Amati does not consider that it would be worthwhile obtaining an independent opinion on its engagement and voting processes. None of our stakeholders has so far shown interest in our doing so. This also reflects our view that relatively little of the effectiveness of our engagement on governance issues would be captured by a superficial look at our voting at general meetings, which in turn reflects the nature of the relationship between investors in small companies and the management teams which run them, as opposed to that between investors and management in large companies. As a small company we do not have the resources to put in place the structures to provide for an independent assurance process, albeit that we do have robust procedures in place for the consideration of stewardship issues and voting policy. Further, with a view to strengthening this process, any activity around corporate governance, stewardship and voting policy is documented and considered at monthly management and quarterly board meetings, and notified to the directors of Amati AIM VCT and the ACD of our UCITS funds, in the same way that we have outlined in relation to conflicts of interest in our response to Section D.

We voted on all shares during the period under review, using a proxy service provider for the administration of voting. We also have an automated system for monitoring voting rights and reporting thresholds under the Takeover Code and the Disclosure Guidance and Transparency Rules.

Our full voting record is available at: https://www.amatiglobal.com/our-values.

Our Voting Policy is available at: https://www.amatiglobal.com/regulatory-information.

Risk Management Policy
Risk management is inherent in the provision of Amati's investment management services. In addition, Amati itself is exposed to business and operational risks that require oversight and management. Whilst Waystone Management (UK) Limited and the VCT Board, in relation to the UCITS funds and the VCT respectively (the latter during the period to 30 April 2025) have ultimate responsibility for risk management of these funds, both parties have delegated portfolio management to Amati, which brings with it a responsibility on our part to identify, manage and mitigate where possible the inherent risks in the funds. While Amati itself is not of systemic importance, we have nonetheless benchmarked ourselves against the standards expected of those firms that are of systemic importance, which are the so-called 'enhanced' firms under the Senior Managers and Certification Regime (SM&CR).

Amati's Risk Management Policy provides an overview of the risk management framework in place at Amati and has been designed to be consistent with the UK Undertakings for Collective Investment in Transferable Securities ("UK UCITS") Directive, the UK Alternative Investment Fund Managers Directive ("UK AIFMD"), the FCA's Collective Investment Schemes Handbook ("COLL") and the FCA regulatory principles and industry best practice guidance. The Policy brings together all the different strands of investment risk management - risk and liquidity monitoring, regulatory parameters and constraints - and aligns them with the relevant UK UCITS and UK AIFM rules. While we are not a UK UCITS or a UK AIFM firm, the expectation is (and best practice dictates) that we should align ourselves with these regimes.

Our Risk Management Policy:
(a) identifies the principal risks for each of the Funds and the AIM IHT portfolios;
(b) explains our approach to managing risk in the Funds, the AIM IHT portfolios and in our business;

C Describe your stewardship policies and processes, and how you review them

(c) identifies the techniques, tools and arrangements used in our risk management arrangements;
(d) explains the techniques, tools and arrangements used in the assessment and monitoring of liquidity risk under normal and exceptional liquidity conditions, including the use of stress-testing;
(e) outlines the allocation of responsibilities relating to risk management;
(f) describes the use of risk limits and how these are aligned with the risk profile of the portfolios as set out in the relevant prospectuses and marketing communications;
(g) outlines the risk management reporting; and
(h) describes the nature of the potential conflicts of interest by not having an independent risk management function, and the reasons why these measures are reasonably expected to result in the independent performance of the risk management function.

The policy is reviewed and its effectiveness assessed at least annually, or where we adopt materially different risk management arrangements or undertake investment management which has a materially different risk profile.

Our Risk Management Policy can be found at: https://www.amatiglobal.com/regulatory-information.

How we review our policies and processes

Amati's size works to its advantage. The fund managers discuss stewardship issues in real time and any conclusions are acted on immediately by the managers themselves or, where applicable, by the compliance function.

Amati's stewardship policies are reviewed annually at board level to assess the effectiveness of the policies, which is informed by the monitoring of companies during the previous 12 months, our voting record on these companies, and any issues identified that have required escalation. This process aligns with, and is informed by, our reporting under the UN-supported Principles for Responsible Investment.

Our policies are also reviewed by our external compliance consultants for clarity, fairness, balance, and comprehension.

Whilst Waystone Management (UK) Limited and the VCT Board, in relation to the UCITS funds and the VCT respectively (the latter during the period to 30 April 2025) have ultimate responsibility for risk management of these funds, both parties have delegated portfolio management to Amati, which brings with it a responsibility on our part to identify, manage and mitigate where possible the inherent risks in the funds.

In order to assess the effectiveness of these policies we have made a number of enhancements to our CRM and investment management systems, with a view to capturing at a more granular level any results from the ongoing monitoring of investee companies. This information includes companies' adherence to the principles of the UK Corporate Governance Code; any corporate developments affecting the investment case or altering the risk/reward dynamics of the investment; and the quality of companies' reporting, including that which relates to ESGH considerations, the carbon intensity of their operations, and any commitment to net zero emissions.

Further to our PRI reporting process we continue to make incremental improvements, which included increasing the number of engagements (and the assertiveness of these engagements), especially around governance, board membership and diversity; and developing a more extensive range of ESGH metrics in an effort to capture systemic risks, including climate risk, with more precision. Now that the project to enhance our internal recording and monitoring engagement activity is complete, the relevant documentation with our analysis of potential and current investee companies has been integrated with all other investment research within our internal CRM system, which will be continuously updated when

C Describe your stewardship policies and processes, and how you review them

significant developments arise or when an investment case is being revisited. A measure of the effectiveness of our engagement activity is the excellent long-term performance of our funds and products.

Waystone Management (UK) Limited, in the capacity of ACD, provides additional assurance of the effectiveness of our stewardship activities. We previously collaborated with them to devise a new template for ESGH reporting in respect of the WS Amati Strategic Metals Fund, which the ACD adopted for other host funds for the purposes of reporting to the Risk Committee of the ACD. Amati took the lead in this respect and provided a model for other funds to follow. We continue to work with the ACD on a range of stewardship and ESG frameworks, most recently the Sustainability Disclosure Requirements (SDR) and investment labels regime and, on an ongoing basis, the Consumer Duty, the latter which at its core strives for good outcomes for retail clients and which of course has a direct bearing on our stewardship activities. Feedback on our policies and reporting is also sought from the ACD, with a view to constant improvement in terms of fairness, balance, and consistency. Internal assurance is provided by the compliance function, acting independently from the executive, and external assurance is provided by our compliance consultants.

In addition to the above we ask our compliance consultants to review our stewardship reporting periodically, with a view to establishing whether in their view our reporting is generally fair, balanced and understandable. While the overall assessment is that our reporting on stewardship and related areas does meet the appropriate standards, any areas that are identified for improvement are acted on and then reflected in our subsequent communications to investors and stakeholders.

Amati's policies and statements in relation to environmental, social and governance issues are available at: https://www.amatiglobal.com/our-values.

D

Conflicts of Interest

D Describe how you manage stewardship-related conflicts of interest to put the best interests of clients and beneficiaries first

Overall approach and governance

Amati currently manages only the types of funds described above and does not trade on its own account. As a boutique fund management business, the scope for conflicts of interest is limited, but in any case Amati takes all reasonable steps to identify, report, and minimise any conflicts of interest that may arise. We have a robust policy for the management of conflicts of interest and this is reviewed regularly. Conflicts of interest are recorded in a conflicts of interest register and are considered at monthly management meetings and quarterly board meetings of Amati. Any conflicts arising are carefully managed and reported to clients as appropriate.

Amati's fund managers do on occasion act as non-executive directors or board observers for investee companies of Amati AIM VCT (up to 30 April 2025). This can give rise to a complex series of potential conflicts, where, for example, a fund may not be able to deal in a security due to Amati having inside information, or where subsequent investments in the company may be made by funds managed by Amati. In these cases, the fund manager who is on the Board of an investee company will defer all subsequent investment decisions to the other fund managers in the team, subject always to permission to deal being sought and obtained from the Chairman of the company concerned. It would be very unusual for Amati not to vote in favour of Board resolutions where it has representation on that Board. In the interests of transparency any perceived conflicts of interest would also be reported to the VCT Board.

This situation also gives rise to a potential conflict of interest in relation to the investee company's remuneration policy in respect of its non-executive directors. However, in these cases Amati has a clear reputational reason to act in the interests of shareholders and to be a force for restraint in relation to remuneration policies. In one case, for example, Amati was responsible for negotiating all non-executive director fees down by 50% prior to a fund manager joining the board.

Other types of cases where conflicts can arise are where a client of a fund managed by Amati is related directly or indirectly to the management team of an investee company. For example, the pension fund of an investee company may become a client of Amati. In these cases, the fund managers may feel constrained in how they vote on company resolutions or make representations about corporate governance to that company. Amati does not currently have any clients which might give rise to this kind of conflict of interest. However, we have a clear policy in place regarding the management of this potential conflict and the relevant disclosures to be made in relation to it.

The overriding principle is that Amati will always seek to put its clients' interests ahead of its own corporate interests in situations where a conflict of interest between the two arises, whether this be in relation to stewardship or any other matter. It is also possible for conflicts of interest to arise between different funds managed by Amati. This is most obviously the case in relation to dealing, regarding which Amati has a detailed allocation policy to take account of this, so that every order placed is also assigned an allocation principle which will explain the nature of the allocation between different funds. In relation to stewardship, there is likely to be a bias towards devoting energy and resources to qualifying investments held by Amati AIM VCT (up to 30 April 2025), as these are generally likely to be the largest positions that Amati holds in relation to the percentage held of an investee company's share capital. But these also tend to be the companies most receptive to receiving advice from Amati about governance issues. It therefore makes sense for us to target our resources on the situations in which we can make the most difference.

Examples of stewardship-related conflicts and mitigations

Where there is a conflict of interest in relation to proxy voting, for example if a security is held across more than one fund under Amati's management, we will always vote in the interest of the underlying fund. The action taken will be documented and considered at monthly management and quarterly board meetings

D Describe how you manage stewardship-related conflicts of interest to put the best interests of clients and beneficiaries first

and will also be notified to the Board of the Amati AIM VCT (up to 30 April 2025) and to the Authorised Corporate Director (ACD) of the WS Amati UK Listed Smaller Companies Fund, the WS Amati Strategic Metals Fund and the WS Amati Global Innovation Fund.

Regarding the potential conflict between stock lending and proxy voting, we do not lend out stock and nor do we have plans to do so in the future. Although we do not have an objection to the practice in principle, we believe that in the area of the market that we operate the benefits in terms of engagement and leverage with investee companies of retaining all of our voting rights at all times, outweighs the potential revenue benefits from lending stock. We would view it as an unacceptable risk that a contentious situation might occur and we would not be able to exercise our voting rights on behalf of our shareholders, and that those rights might be exercised by a third party with no interest in the long-term welfare of the company. In any case, our funds under management are likely to be too small for stock lending to be of any material economic benefit to our shareholders.

Regarding the differences in our internal policies on stewardship and ESGH and those of our clients, typically we drive the agenda and work with all clients to ensure a consistent approach. We are open and transparent regarding our approach to these matters, which is outlined across our fund literature. We have a thoughtful and nuanced approach to stewardship and ESGH, which resonates with our shareholders and which in some respects makes our clients self-selecting.

Regarding personal dealing, this is strictly regulated, and we have robust procedures in place to minimise risk in this area. In recognition of the growth in our operations, the expansion of our investment universe and the risks of information being available outside the investment management team, we have recently tightened our policy further so as to not permit any personal investment in a security held, or being considered as a holding, in any Amati fund or product. We also have strict limits on gifts and hospitality so as to avoid any suggestion of inducements to trade, or otherwise improper conduct.

Our Conflicts of Interest and Co-investment & Order Allocation policies are available at: https://www.amatiglobal.com/regulatory-information.

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Dialogue with clients and/or beneficiaries

E Describe how you maintain a dialogue with clients and/or beneficiaries

Approach and channels

We believe that our communications with clients are among the best in the industry in terms of content and investor education, be that through Annual General Meetings, Investor Days or webinars, or else through the medium of our fund literature. We take every opportunity to engage with all our stakeholders, having an ongoing conversation with them, listening to their views, and delivering on a progressive agenda of stewardship and governance.

In relation to our funds, we work closely with our clients, the board of Amati AIM VCT plc (up to 30 April 2025) and Waystone Management (UK) Limited, the ACD of our UCITS funds, to take account of their views and agree common approaches to stewardship and governance.

Our stewardship policies have always been aligned with those of our clients and there has never been a situation where our approach to stewardship and governance has been a source of conflict. We believe that our thoughtful and nuanced approach to stewardship and governance resonates with our clients, as does our willingness to engage and connect with them.

We use a variety of methods to communicate with clients, including factsheets, webinars, events connected to the AGMs of our VCT client, as well as a dedicated investor line. Fund managers are always available to speak to individual clients and beneficiaries, which we believe is quite unique among managers of collective funds. Our rationale for taking this approach is that, strictly speaking, we do not have a formal regulatory relationship with the end client in each of our collective funds. There are regulatory constraints in making direct, unsolicited approaches to clients, so we try to make up for this by widely publicising our activities and events in the hope that the end clients, especially those that are not advised by intermediaries, will engage with us. This has so far been a very successful approach, and as a result we feel very close to our investor base and believe that we have carried them with us in our approach to stewardship.

To date our clients have not overridden or challenged our house policy in relation to voting, as our approach and philosophy has been understood and embraced by our main fund clients (the ACD of our UCITS funds and the board of Amati AIM VCT) at the outset. In addition, regular dialogue takes place in order to bring our clients with us as our thinking evolves. Further, with a view to strengthening this process, any activity around corporate governance, stewardship and voting policy is documented and considered at monthly management and quarterly board meetings, and notified to the directors of Amati AIM VCT (up to 30 April 2025) and the ACD of our UCITS funds, in the same way that we have outlined in relation to conflicts of interest. We also monitor key stewardship-related service providers that support our processes (see **Principle 6** in the **Activities & Outcome Report**).

Intermediaries are increasingly sending dedicated 'ESG' due diligence questionnaires, our responses to which we are refining constantly and using as a basis for discussion with intermediaries and other stakeholders. Our VCT is overseen by an independent board of directors, to whom we report on a quarterly basis, and which includes a summary of our stewardship activities and engagements with investee companies. This interaction is valuable and has enabled us to bring the directors on board with our approach, of which they are broadly supportive and indeed which is enshrined in the Prospectus for the fund and taken ownership of by the directors. The compliance function at the ACD reviews our stewardship and engagement policies as part of their ongoing due diligence on the WS Amati funds, which has been generally enhanced in the light of the challenges facing the sector and the increased scrutiny of the ACD/Host relationship, after having been brought into sharp relief by the demise of the Woodford Equity Income Fund. During lockdown, communication with clients became even more important and we increased the number of online events and presentations open to clients and intermediaries, to keep stakeholders informed and to maintain contact, and this level of activity has not diminished since the end of the pandemic.

E Describe how you maintain a dialogue with clients and/or beneficiaries

Feedback and continuous improvement

Some actions taken during the period under review after various interactions with stakeholders include the following:

- We continued to develop mechanisms for the reporting of ESG metrics to the ACD, to work with them to enhance our risk and liquidity monitoring, and to share information of mutual interest. This process has become very much a collaboration with our ACD client, as opposed to collecting data independently and reporting to them in isolation. We believe this has strengthened our controls and will lead to better outcomes for the end client.

- As a result of shareholder and intermediary feedback we continued to expand the information presented on stewardship and ESGH-related matters during meetings, seminars, annual and interim reports, and fund documentation. Factsheets are issued monthly, fund updates on BrightTALK take place quarterly, and we hold annual investor days in conjunction with the AGM of our VCT client, the latter very often featuring presentations by portfolio companies, which gives a chance for investors to assess the stewardship credentials of our investee companies and indeed challenge company executives on stewardship matters. We also deliver 'Amati Insights', a fortnightly zoom call where Amati managers share their views on key events or investment themes, many of which are related broadly to stewardship and ESGH-related matters. Past editions have featured discussions on the future of electric vehicles (EVs), the implications of the proposals by the Trump administration to revoke EV tax credits, and the bankruptcy of European EV battery champion Northvolt; the political and economic headwinds for investors on the dilution of net zero commitments by various governments; and the risks of relying on globalised supply chains against the backdrop of increasing geopolitical tensions. The information communicated through the various media very often takes the form of case studies on companies involved in the energy transition or related areas, which we view as a major theme for Amati and as a debate to which we can make an important contribution.

- We also distribute questionnaires after investor events, which has been valuable in gauging the 'temperature' of our clients and intermediaries and in evaluating the effectiveness of our communication with clients on these matters. For example, we have been constructively challenged on a number of issues, such as our rationale for being willing to invest in fossil fuel companies (albeit only in certain countries). Our response to this question involves a recognition that even in the most optimistic scenarios we will remain critically dependent on fossil fuels for at least another 20-30 years, in which case it seems to us that it becomes an imperative that we stop buying fossil fuels from countries oppressed by dictators. The related issue of energy security is also relevant here, of course. Other matters in which we are frequently challenged on include the part we can play in the global energy transition; our views on board diversity and inclusion in our investee companies; and other stewardship and ESGH-related matters. Although it is difficult to understand fully the requirements in this area of all the underlying shareholders, we do take every opportunity to explain to shareholders, failing whom their intermediaries, our rationale for the positions we take and the approach to stewardship and engagement in general.

We believe that our approach broadly aligns with that of our stakeholders, a testament to which is that to date we have not encountered any significant resistance on these matters, even though we facilitate opportunities to provide feedback on stewardship and governance at every possible juncture and by various methods of contact. For this reason we believe that we are broadly aligned with our clients' approach to stewardship and their investment philosophy, and that our nuanced and thoughtful approach to these matters resonates with our wider client base.