SHAREHOLDER ENGAGEMENT POLICY

Scope

This policy sets out the way in which we engage shareholders and investment companies with respect to general meetings and corporate actions. The Mattioli Woods Investment Research Team and Equity Selection Committee are responsible for implementing the policy by actively engaging with the companies we invest in, and by facilitating engagement and voting for our investment managers and clients.

Applicable

This policy is applicable to advisory and discretionary managed shareholdings of clients of Mattioli Woods and our fund range. The holdings which it will apply to are any shares traded on a regulated market, which hold general meetings and give rise to corporate actions.

Purpose

This policy sets out how Mattioli Woods will vote on behalf of client shareholdings or notify the underlying shareholders about shareholding events and how the shareholders are able to participate in these events, dependent upon the advice type of each holding. The purpose of the policy is to ensure Mattioli Woods are compliant with the requirements set out in COBS 2.2B SRD.

Objective

Mattioli Woods is committed to strong stewardship which plays a vital role in responsible investment practices. Mattioli Woods recognises the importance of shareholder engagement in relation to our clients' investments in individually held shares and the shares held within our fund range. Mattioli Woods encourages good governance and sustainable corporate practices. Taking a robust approach to this area underpins Mattioli Woods' commitment to deliver the best outcomes for our clients, in line with the principles of, and our commitment to, the Consumer Duty regulations.

Investment Research

Mattioli Woods is committed to strong governance of the investments it chooses for client monies. We have an experienced Investment Research Team and Investment Policy Committee overseen by our Investment Committee.

Mattioli Woods undertakes detailed research and ongoing monitoring of the companies in which we invest in order to assess their performance and potential for long-term returns. The analysis and monitoring focus is on the investee company's strategy, performance and risk, commitment to governance and management quality.

When selecting investee companies for initial and ongoing investment or for disinvestment, via our own internal research, we will consider the investee company's:

- Strategy
- Financial and non-financial performance and risk
- Capital structure
- Social and environmental impact
- Corporate governance

The above is not an exhaustive list and various other factors may be taken into consideration when making investment decisions.

Mattioli Woods also uses research and voting recommendations from proxy advisory firm Institutional Shareholder Services Inc.

Discretionary Holdings

Investment Trust shares, Exchange Traded Fund units and direct equity shares held within Mattioli Woods' fund range, or that are held on a discretionary basis within portfolios managed by Mattioli Woods will be voted on by Mattioli Woods' investment managers on behalf of the underlying shareholders where proxy voting is permitted by the relevant custodian. Proxy voting in bulk for certain non-UK based investments is operationally prohibitive and Mattioli Woods will exercise our discretion in whether to place votes in these circumstances.

Our principles for proxy voting are that we will examine each voting agenda and vote in favour of each item when it is determined that it will be in the best interests of our clients to do so, unless any of the following concerns are applicable:

1. Financial Statements - There are concerns on the reliability of accounts (including a qualified auditor's opinion) or there are concerns about the independence of the auditors.
2. Board of Directors - There are concerns about the performance of the board and/or management for the period and we consider their efforts inadequate (which could include sustained absence at board meetings).
3. Board of Directors - The board and its committees are not sufficiently independent, or any director is deemed incompetent, unlawful, unethical, or not having sufficient experience and/or qualifications.
4. The company is unresponsive to shareholders' requests for information and/or the company's disclosure is deemed to be inadequate and harmful to the interests of shareholders.
5. Compensation - Compensation plans are not in line with performance, the focus is not aligned with the long-term interests of shareholders or performance targets are changed retrospectively.
6. Mergers & acquisitions - Any merger or takeover is deemed not to be in the interest of shareholders.
7. Changes in capitalisation - Issuance of preferred stock with superior rights to common shares.
8. Changes in capitalisation - Share buybacks are deemed to be not in favour for shareholders.

We may vote against other items where we deem the item will likely harm shareholders' interests, with each item considered on a case-by-case basis.

Non-Discretionary Holdings

Due to the significance of the advisory shareholdings of Mattioli Woods' clients in Custodian REIT plc, we will invite clients to engage in the Annual General Meeting of Custodian Capital Limited and place proxy votes on their behalf should they wish to vote.

For other applicable advisory and execution-only shareholdings, where the custodian allows, clients and shareholders are invited to contact us should they wish to vote or take part in an event, and we will clearly explain the process and applicable charges to do so.

Reporting

We will publish on our website an annual report confirming how the engagement policy has been implemented within the previous year, explaining the most significant votes cast and reporting on the use of the services of proxy advisers.

This policy is to be reviewed on at least an annual basis.