Mattioli Woods plc, as an investment manager has a fiduciary duty to make investment decisions that are in our clients' interest as the asset owners. Mattioli Woods encourages good governance and sustainable corporate practices.

UK Stewardship Code

1. Institutional investors should publicly disclose their policy on how they will discharge their stewardship responsibilities

Mattioli Woods believe that active engagement with company management is a vital part of the stewardship process and will include, amongst others, performance, strategy, implementation and operations, risk management, capital structure and corporate governance. We invest in both funds and companies and with both we aim to have an open dialogue with management that allows us to challenge and provide feedback. We do this through regular one-to-one meetings, phone calls and voting. This dialogue and engagement helps us with our evaluation of the company to secure and enhance our clients' investments.

2. Institutional investors should have a robust policy on managing conflicts of interest in relation to stewardship which should be publicly disclosed

We understand that conflicts of interest arise in the normal course of business. Mattioli Woods employs Chinese Walls between its business units, in particular our consultancy/advice unit and Asset Management, to ensure that business relationships and clients are not able to influence corporate governance decisions. The teams are structured to minimize perceived conflicts of interest. Other conflicts of interest may occur between subsidiaries or affiliates of Mattioli Woods plc. In this case, each vote will be recorded in a register of conflicts with the rationale of the vote being sent and approved by the Chief Investment Officer. We have a Training & Competence policy that includes conflicts of interest.

3. Institutional investors should monitor their investee companies

We invest in funds and companies and the monitoring of both is conducted by our Investment Research Team. For fund investments, the monitoring of investee companies is their responsibility. Each analyst within the Investment Research Team has sector responsibilities and they have to report on each fund or company formally at least every six months. These reports are published to the wider team who then review and challenge the analyst. The monitoring is done through both quantitative and qualitative techniques, including face-to-face meetings and conference calls with management. A clear trail of meetings and next steps are recorded with ongoing monitoring of funds and companies.

4. Institutional investors should establish clear guidelines on when and how they will escalate their stewardship activities

For the majority of cases, the day-to-day engagement with investee companies will be delegated to the underlying fund manager, who have their own policies for escalation. Where we invest directly into companies, we will escalate our activities and engagement if we are concerned that shareholder interests are at risk. This could involve concerns around financial reporting, capital allocation, operational or management issues, general risk management, sustained poor performance or corporate governance. Our ongoing monitoring of investments is key to our stewardship activities. If we do have concerns, we will initially meet or converse with the management. If the concerns of the analyst or wider Investment Research Team are not abated, we will put pressure on the company either through the board Chairman, advisers and/or brokers, together with our proxy voting policy. If our concerns are not resolved, it would likely result in a sell recommendation by the analyst.

5. Institutional investors should be willing to act collectively with other investors where appropriate

Mattioli Woods will work with other investors in order to maximize the influence and effect positive change that we can have on the investments. Any collaborative efforts will be documented and notified to the Chief Investment Officer. Mattioli Woods is willing to work collectively on individual issues or wider industry concerns if it is deemed to be in our clients' interest.

6. Institutional investors should have a clear policy on voting and disclosure of voting policy

Mattioli Woods has a proxy voting policy and will endeavor to vote wherever possible and always acts in the best interests of our clients. We use various technology to vote, including 'Proxyedge' by Broadridge. Mattioli Woods takes voting seriously and understands that it is a valuable method of promoting good governance.

7. Institutional investors should report periodically on their stewardship and voting activities

A Voting Report is provided to the Chief Investment Officer on an annual basis detailing our vote together with the rationale. This Report can be obtained upon request.