

Slater Investments Limited Voting Summary

01 October 2022 to 31 December 2022

The below table gives a summary of all SIL's voting instructions across all companies held by SIL on behalf of clients who are advised and managed during the fourth quarter of 2022:

Meetings	
Total number of meetings voted at	25
Total number of resolutions voted on	241
Number of resolutions where we voted with management	178
Number of resolutions where we voted against management	62
Number of resolutions where we abstained	1
Number of resolutions where we voted against our voting policy	10

Of SIL's votes against management recommendations:

- 40% related to the disapplication of pre-emption rights;
- 23% related to the power for Directors to allot shares;
- 18% related to (Non-)Executive Director remuneration;
- 11% related to (re-)election of (Non-)Executive Directors;
- 3% related to employee remuneration;
- 3% related to the request to make political donations;
- 2% related to Long Term Incentive Plans ("LTIP").

There were five notable meeting during the quarter where SIL voted in favour of authorising Directors to allot shares and for the disapplication of pre-emption rights, totalling nine resolutions. These were meetings where SIL was made aware of the intended use of capital either in discussions with the company prior to the event, or a *use of proceeds* section published as part of the meeting documentation. The respective companies were Avation PLC ("Avation"), Kape Technologies PLC ("Kape"), Jubilee Metals Group PLC ("Jubilee"), AMTE Power Plc ("AMTE"), and Next Fifteen Communications Group plc ("Next Fifteen").

In the case of Avation this represented the culmination of positive engagement in the prior year. In November 2021, SIL had voted against resolutions proposed by Avation in relation to the authorisation for directors to issue equity and do so without pre-emptive rights. Before this, in October 2021, in a meeting with a non-executive director ("NED"), and member of the Audit Committee at Avation, SIL outlined the view that, in line with SIL voting policy, directors should not have blanket permission to issue equity, especially when pre-emption rights were disapplied. We emphasised to the company that providing an accompanying proposal outlining the reasons for any equity issuance would allow all shareholders to make an informed decision on such matters. At Avation's Annual General Meeting ("AGM") in December 2022, resolutions were proposed granting authority to the directors to allot shares without pre-emptive rights. In line with our previous discussion with the company, they included an accompanying *use of proceeds* section. We considered the issuance and accompanying use of proceeds section to be in the best interest of shareholders and, therefore, voted in favour of the respective resolutions, which was against our voting policy. These resolutions were subsequently passed. SIL was pleased with the results of this engagement which had resulted in giving all shareholders the ability to better evaluate the equity issuance resolutions. We continue to stress the importance of such practices to other investee companies and hope to see more of this in the future.

- Avation PLC – Authority to allot shares ([link](#)).

In the case of Kape, the company outlined their reasons for a proposed fundraise. Kape has a record of positive acquisitions and expressed this capital would allow them to accelerate growth through further acquisitions. SIL felt there was a strong business case for the proposed fundraise and chose to take part in the placing in October 2022. Therefore, SIL voted against its policy and the respective resolutions were passed.

- Kape Technologies PLC – Authority to allot shares ([link](#)).

For the remaining three meetings, the resolutions related to; broad authority for Directors to allot shares at Jubilee, a proposed convertible bond facility at AMTE, and a proposed acquisition at Next Fifteen. Whilst not taking part in the respective events, SIL felt all three of these resolutions were in the best interest of the companies, therefore voted against its policy, and in favour of the resolutions. The resolutions from Jubilee and AMTE consequently passed with our support, whilst the one resolution relating to Next Fifteen did not receive the necessary support from shareholders.

- AMTE Power Plc – Authority to allot shares ([link](#)).
- Next Fifteen Communications Group plc – Authority to allot shares ([link](#)).
- Jubilee Metals Group PLC – Authority to allot shares ([link](#)).

There was one abstention during the quarter. This related to AMTE's AGM and a resolution to approve its Remuneration Report in December 2022. SIL identified two issues within the Report related to NED remuneration which contravened SIL's voting policy. In particular, NEDs receiving pension contributions in addition to a flat fee, and NED notice periods being greater than one month. It is SIL's view that NEDs should receive only a flat fee so as not to interfere with their impartiality towards the company, and NEDs should have no more than one month's notice as it is excessive and needlessly slows changes to board composition. SIL chose to engage with the Chair of the Remuneration Committee at AMTE on these issues expressing the view that these policies were unusual for a company such as AMTE and did not align with SIL voting policy. Through correspondence, the Chair of the Remuneration Committee confirmed these issues would be reviewed by the Board. In this instance SIL felt it was most appropriate to abstain on this resolution.

- AMTE Power Plc – Director Remuneration ([link](#)).

The majority of votes against management recommendations concern the disapplication of pre-emption rights and authority for Directors to allot shares that were not in conjunction with a targeted capital raise. SIL does not believe Directors require such a general authority. If there is a business case this can duly be presented to investors.

The votes against management recommendations classed as related to Non-Executive Director remuneration are where SIL disagreed with either a company's remuneration report or policy. Similarly votes against management recommendations classed as related to LTIP are where SIL disagreed with this specific element of a company's remuneration policy. The rationale for these votes mostly surrounds the use of nil-cost options. It is a remuneration structure much more aligned with a cash-strapped start-up than an established profitable company. In the instance where SIL votes against either the remuneration report or policy, the re-election of the Chair of the Remuneration Committee who presided over the report and/or policy is also voted against.

SIL does not support the funding of political parties or organisations.

There were no resolutions during the quarter proposed by shareholders.

SIL's Voting Policy can be found on its [website](#), along with a full archive of historic vote reports.