Chelverton
ASSET MANAGEMENT

RESPONSIBLE INVESTMENT

ENGAGEMENT AND VOTING REPORT QUARTER 1 / 2026

INTRODUCTION

The following report provides the Chelverton Asset Management Ltd ("CAM") engagement and voting record for the first quarter of 2026.

The report is intended to be read alongside our Shareholder Engagement and Voting Policy, and annual Engagement Plan(s), available to view here on our website.

Shareholder engagement is purposeful dialogue with companies on matters such as strategy, performance, risk, capital structure, and corporate governance including company culture, remuneration, and matters relating to environmental and social issues.

Shareholder voting is the exercise of voting rights in support, abstention or against both management and shareholder resolutions at shareholder meetings.

Shareholder engagement and voting lie at the heart of every CAM investment strategy. We report our engagement and voting activity to the Financial Reporting Council (FRC) on an annual basis. Our latest UK Stewardship Code report is available to view on our website.

Interested parties requiring further information regarding our approach to engagement and voting should contact us at info@chelvertonam.com or our Corporate Governance Manager, Gregor Macdonald at gcm@chelvertonam.com.

RESPONSIBLE INVESTING CONTEXT

CAM is a boutique asset management company predominantly investing in quoted and AIM traded small and medium-sized companies in the UK and Europe. We believe responsible investment can deliver long-term benefits for clients, beneficiaries, the environment, and wider society.

At the core of our investment process is the stewardship of the assets we manage, which we see as both a key activity and a source of long-term value creation. Our engagement with companies helps us understand investment dynamics, monitor risks, and, where appropriate, drive positive change within targeted companies for the benefit of our clients.

Constructive company engagement sits at the heart of our approach and is central to how we exercise our stewardship. Our approach is built on fostering constructive and collaborative relationships with the management of companies in whom we invest. Once a company has entered a fund as a committed holding, we will engage to monitor all aspects of the investment case and to offer support to promote continued long-term success and growth.

Each investment team follows its own strategy and approach, shaping their investment and stewardship activities to align with their distinct objective and niche. The investment managers of each fund undertake stewardship and engagement activities with the support of CAM's dedicated Corporate Governance Manager and external Environmental, Social and Governance (ESG) partners working alongside them.

ENGAGEMENT RECORD

In the first quarter of 2026 CAM's investment managers attended 71 meetings with investee companies, and 7 meetings with non-holding companies.

During this quarter we continued to monitor the progress of our companies, engaging to protect and enhance investment returns for our clients over the long term.

Within this context, meetings during this quarter included the following activity:

- Meeting investee companies to discuss trading and performance with executive teams given results season.
- Engaging with portfolio companies on their short-, medium- and long-term plans, growth forecasting, capital allocation and opportunities.
- Dedicated ESG discussions regarding ESG management issues considered financially material to the investment thesis, where appropriate. This quarter including corporate conduct and customer outcomes, workplace health and safety, and governance and capital allocation.

Three examples of our integration of material ESG considerations in company engagement discussions are provided below:

- **WYNNSTAY GROUP PLC – CHELVERTON UK DIVIDEND TRUST**

At the company's full-year results meeting we discussed an ongoing investigation into a fatality on site in January. We regard strong health and safety management as a material consideration. Management confirmed it has engaged a health and safety consultant to drive the cultural changes needed to strengthen employee compliance with safety procedures. No ruling has yet been made, but management expects a liability to be recognised in the current financial year.

We also discussed the benefits of organisational consolidation for internal communication, and the group's strategy of building deeper relationships with its farmer customers, who favour a single supplier over shopping around, to win a greater share of wallet while investing in capacity in a fragmented, under-invested market.

We will continue to engage on the group's safety record and cultural remediation, and on the conversion of this strategy into stronger cash generation.

- **CLOSE BROTHERS GROUP PLC – CHELVERTON UK EQUITY INCOME, CHELVERTON UK DIVIDEND TRUST**

At the company's half-year results meeting, discussion covered the motor finance commission redress, which was formally announced the following Monday. This is a material conduct and customer-outcomes matter for the group, and we sought reassurance on how it is being handled; management pushed back on a third-party report they regard as misleading.

We also discussed net interest margin, which management expects to stabilise as the higher-rate environment, business mix and legacy products work through.

We will continue to monitor the group's handling of the redress process and its capital position through it, alongside growth in the commercial loan book and the Irish business.

- **GRAFTON GROUP PLC – CHELVERTON UK EQUITY INCOME**

At the company's full-year results meeting we discussed the change to the group's reporting structure, now organised by geography rather than by division, with Iberia driving growth and a slower recovery expected in the Nordics. Against a broadly flat near-term outlook, management having worked hard to defend margins in a market without a clear recovery, we challenged the group on capital discipline. Management expressed confidence that its existing framework provides sufficient capacity to meet its capital allocation needs.

We will continue to monitor capital allocation and the transparency the revised reporting structure provides.

GOVERNANCE

Our Corporate Governance Manager continued to engage with remuneration committees regarding future changes to base levels of executive remuneration, annual bonuses and long-term incentive schemes (LTIP) likely to be voted upon in upcoming shareholder meetings.

Consultations in advance of shareholder voting have become increasingly the norm and we engage when we would like to influence outcomes.

We emphasise a consistent view that performance metrics and targets should be challenging, remain sensitive to the experience and cost-of-living pressures of the wider workforce and, in line with our aim to control our exposure to systemic risk, include meaningful and challenging ESG targets.

COLLABORATIVE ENGAGEMENT

Given we seek to foster constructive relationships with investee companies, we do not favour collaborative engagements that target individual holdings as a form of escalation, preferring one-to-one dialogue except in exceptional circumstances.

Our collaborative work aims to support the needs of our investment universe within a well-functioning financial system and promote their participation in more sustainable business practice. We scan for opportunities to join meaningful collaborations and target initiatives that address the market-wide and systemic issues we identify as most relevant.

VOTING RECORD

The principles that guide CAM’s voting activity are laid out in the Chelverton Shareholder Engagement and Voting Policy. We consider voting to be an important shareholder right and a key tool for escalating shareholder action when required, in the interests of clients and wider stakeholders.

Chelverton do not use the services of a third-party proxy voting advisor for voting advice, preferring to view company governance and management and shareholder resolutions within the context of company size, level of maturity, and our understanding of the dynamics of the company.

Chelverton now steward 6 Funds in aggregate and voted on more than 650 company resolutions at shareholder meetings in the quarter, casting votes in line with our Shareholder Engagement and Voting Policy.

In total, we voted against no resolutions during the period.

The breakdown of voting activity between the individual funds in Q1 of 2026 was as follows:

Fund Name	Resolutions	In Favour	Against	Abstentions
UK Equity Income	145	145	0	0
UK Equity Growth	194	194	0	0
UK Dividend Trust	131	131	0	0
European Select	68	68	0	0
The Investment Company	23	23	0	0
Opportunities	119	119	0	0
Totals	680	680	0	0

We continue to engage with company management in advance of significant votes to discuss remuneration proposals on an ad hoc basis.