

**Alliance Witan PLC**
**Questions and answers from the AGM held on 29 April 2026**

	<b>Question</b>	<b>Answer</b>
<p><b>1</b></p>	<p>The Company appears to have underperformed its peers. This is not the best way to run a portfolio as competitors are performing better. WTW says it is not investing in “hype”, but competitors also do not invest in hype and have outperformed ALW. Is there something fundamentally wrong with the way the portfolio is managed?</p> <p>and</p> <p>When I look at other trusts such as CTY.L, they also avoid the distortion of the Mag 7 but manage to significantly outperform the Company on a Total Return basis. The argument for de-risking away from the overweight tech stocks is well made but does not quite explain the ultimate performance outcome. Is there a need to reconsider the distribution of stock and stress test for potential upside / downside scenarios for the future?</p>	<p>Alliance Witan PLC has delivered performance ahead of the peer group average over the relevant period. While it is always possible to identify individual peers at the top of the range that have outperformed, such comparisons should be viewed in context, particularly given differing levels of risk and investment approaches. The Company’s focus has remained firmly on delivering robust long-term returns and annualised returns of approximately 10% represent a strong outcome, especially against the backdrop of recent market conditions.</p> <p>The benchmark has been unusually concentrated and, along with geopolitical uncertainty, has been a defining feature of the investment environment. Despite this, the Company remains committed to meeting its return objectives.</p> <p>Historically, investment performance has been driven by underlying fundamentals, although this relationship has been less evident over the past two years.</p> <p>The Board devotes significant time to reviewing investment performance, with a focus on understanding the outcomes of the current strategy and ensuring that stock pickers are operating in accordance with their stated approach. This includes assessing whether any performance differentials are attributable to a structural style gap or whether stock pickers have encountered challenges arising from highly concentrated market conditions.</p> <p>The Board has continued to encourage WTW to maintain its current approach. There is a high degree of confidence in both the construction of the portfolio and the underlying holdings and making material changes to the investment approach at this juncture would be ill-advised.</p> <p>Overall, the Board remains confident that the existing portfolio is well positioned and will deliver strong performance over the medium to longer term.</p>
<p><b>2</b></p>	<p>Shareholders appreciate the level of risk versus rewards the portfolio offers and the dividend, but the AIC notes that the Company’s reserves are low at 17%.</p>	<p>There is a broad spectrum of views across the Company’s shareholder base in respect of capital returns and the payment of dividends. Some</p>

	<p>Other trusts pay an enhanced dividend, is this something the Board would consider? Although shareholders would not want to see the level of dividend growth sacrificed for this.</p>	<p>shareholders express a preference for capital growth, noting that capital gains may be subject to more favourable tax treatment than dividend income. Conversely, other investors value a progressive dividend policy, particularly as it provides a reliable income stream to supplement other sources of income, such as pensions.</p> <p>The Board remains mindful of these differing perspectives and seeks to strike an appropriate balance. The current level of dividend is considered sustainable, supported by the Company's healthy capital reserves, which provide flexibility to maintain and, where appropriate, support dividend payments over time.</p> <p>Given the strength of the Company's retail shareholder base, the Board does not consider it appropriate at this stage to pursue an enhanced dividend strategy. Instead, it remains focused on maintaining a consistent and sustainable dividend approach, aligned with the long-term interests of shareholders as a whole.</p>
<p><b>3.</b></p>	<p>Shareholder wanted to challenge thinking as dividends had not been covered by income growth, therefore current dividend policy is not sustainable.</p>	<p>There is the flexibility to cover the dividend from capital reserves. As a long-term Total Return trust, the Company's Dividend Policy is sustainable.</p>
<p><b>4.</b></p>	<p>When will you get more male representation on the Board?</p>	<p>The current Board represents diversity in many ways but does remain mindful of the gender imbalance. This ongoing discussion continues to form part of the Board's succession planning discussions.</p>
<p><b>5.</b></p>	<p>You talk about long term stock picking; however current turnover equates to just over a year holding period.</p>	<p>Over the past year, portfolio turnover was approximately 85%. This can be disaggregated into several key components to provide greater clarity.</p> <p>Approximately 20% of turnover was attributable to changes in stock pickers, while a further 5% related to rebalancing across existing holdings. Of the remaining activity, around 30% resulted from stock-level changes made by continuing stock pickers, reflecting their active management decisions. The final 30% comprised rebalancing within the portfolios managed by existing stock pickers, which is considered a normal and expected component of portfolio management.</p> <p>It should be noted that higher levels of turnover are typically observed during periods of increased market volatility, as investment managers respond to</p>

		changing market conditions and valuation opportunities.
<b>6.</b>	On the slide referring to good performing companies that are not reflected in market price yet, VISA was showing as performing well so why is that the biggest sale?	This was held by one of the Stock Pickers that was replaced therefore the position held by them was sold.
<b>7.</b>	Witan annual accounts showed a very helpful table of each Stock Pickers performance against the benchmark, can ALW consider the same?	<p>As stock pickers are not managed against a formal benchmark, they are not set explicit outperformance targets. Instead, WTW's approach is to request the Stock Pickers invest in their highest-conviction positions, typically reflected in their top 20 holdings.</p> <p>Notwithstanding this approach, WTW does openly talk about each individual Stock Pickers performance, but the Board acknowledges that there have been requests from stakeholders for additional comparative information.</p> <p>Accordingly, it will consider the inclusion of further relevant disclosures in future reports, where this is deemed to enhance transparency and shareholder understanding.</p>
<b>8.</b>	If Exchange Traded Funds ('ETFs') are performing, why should someone buy ALW instead of directly investing in ETFs?	<p>Passive strategies often result in a high degree of concentration, which can increase overall portfolio risk. This concentration has been a defining feature of recent market performance, driven by a relatively small number of dominant constituents.</p> <p>In addition, there is a risk that the current market dynamics underpinning the strong performance of passive strategies may be relatively short term in nature. As such, there is no assurance that these conditions will persist over the longer term or that the same level of performance concentration will remain evident over a ten-year investment horizon.</p>
<b>9.</b>	There is no diversity of skill on the Board and there are no members that have started their own companies/businesses, this should be considered for future recruitment.	The Board is diverse in many ways with three Board members having started their own businesses. The Board works well together and is engaged in constructive dialogue. The Board continues to discuss succession planning to ensure that the Board remains equipped and appropriately skilled for the future.
<b>10.</b>	If the buyback level is sustained will this not take the Company out of the FTSE 100? Also, why is a 5% discount level the level chosen to trigger buybacks and not another number (8% for example)?	The Board's preference is not to undertake share buybacks as a matter of routine; however, it remains committed to acting in the best interests of shareholders at all times. In this context, buybacks are

		<p>recognised as a useful tool, as they can be accretive to net asset value (NAV) and assist in maintaining an appropriate balance between supply and demand for the Company's shares.</p> <p>The Board considers that a discount level of approximately 5% is acceptable under normal market conditions. Discounts materially in excess of this level have the potential to widen significantly if not addressed, to the detriment of shareholder value.</p> <p>Within the peer group, Alliance Witan PLC maintains a relatively modest level of buyback activity operating one of the lowest levels of buybacks among its peers, reflecting the Board's measured and considered approach.</p>
<p><b>11.</b></p>	<p>Returns are obviously key but as the world changes are you also factoring in the impact of some companies on climate change in prioritising where investments should be made? Do you plan to do this going forward?</p>	<p>WTW believes that environmental, social and governance ('ESG') factors have the potential to impact financial risk and return. As long-term investors, WTW aims to incorporate these factors into its investment process, including assessing how Stock Pickers evaluate ESG risk in their decisions over what stocks to purchase.</p> <p>Climate change poses potential significant risks to investment returns from many companies, which is why both WTW and the Company have stated an intention to manage the assets with a goal of achieving Net Zero greenhouse gas emissions from the portfolio by 2050.</p> <p>As the Company explained in the ESG policy document it published last year, it no longer has a shorter-term 2030 portfolio emissions goal. Real world emission reduction progress has been mixed to date, and the Company wishes to give the Stock Pickers flexibility to invest in higher emitting sectors that still have an important role to play in the transition (e.g. energy, materials, utilities). The Company also believes that engagement with high emitters is typically more effective than divestment in supporting the ambitions of the Paris Agreement.</p>