

KINETIC ENGAGEMENT POLICY

Purpose of Policy

This Engagement Policy details the engagement framework used by Kinetic Investment Team as they undertake due diligence on investee companies.

Why we engage

Through engagement we foster relationships with management and Board of individual company's in order to improve our understanding of how that company operates and creates shareholder value. Discussions with management also help formulate our view on future revenue and profit trends. These views are pivotal to our company financial models and valuation results.

At Kinetic we acknowledge the importance of sustainability for all companies. As fund managers, we have an active role to play by investing in companies that are taking responsibility for Environmental, Social and Governance Policy (ESG) issues and are monitoring their compliance with best practice in ESG.

Engagement with companies allows us to learn how they assess and manage their ESG obligations and provides us with the opportunity to question these practices and even encourage increased ESG disclosure. Through this engagement we hope to improve the long term performance of these companies.

How we engage

Kinetic's engagement is via:

- One on one meetings
- Company or sell-side led conference
- Emails
- Site visits

Engagement is likely to be with although is not limited to:

- Management Team (primarily CEO & CFO)
- Direct reports of Management
- Board Members (usually Chairperson)
- Industry competitors, supply chain companies etc. and industry bodies.

Every engagement occurs with a purpose.

When we engage

Prior to investing in a company Kinetic will meet with management at least once. During these meetings Kinetic focuses on the key criteria important in our stock selection process. Analysis of ESG issues is a standard part of the fundamental analysis we complete on every company. We will also seek the views of other parties such as brokers, competitors and industry contacts to help verify the information provided by individual companies.

Kinetic places great emphasis on regular company contact and tends to average three plus contacts per annum for each company held (often with at least two Kinetic staff present). In addition to these one-on-one organised company visits we attend quarterly, half-yearly and annual result



announcements and broker presentations. Visits to competitors, suppliers and customers of companies also help us assess the ongoing trends in a business.

We will also engage with representatives of the Board of Directors or the Executive Management Team when voting proposals are contentious in order to understand the proposal and discuss our view and voting intentions. Please refer to Kinetic's Proxy Voting Policy for more detail.

In addition to the aforementioned engagement Kinetic also has a formal ESG Engagement Programme.

This programme revolves around an ESG theme as determined by the Kinetic Team. Themes are determined through analysis of our holdings, the risks we perceive with these holdings and where Kinetic believe engagement may make a difference. An example would be encouraging Boards of Directors to have an appropriate number of independent directors and diversification across their Board.

Once a theme has been identified then a formal engagement plan is developed.

1. We select the companies with which we are going to engage.
2. We set objectives for engagement
3. We assign a Kinetic staff member with specific company engagement
4. We review & update at weekly Team meeting
5. Themes are reviewed annually.

Evidence of engagement

All engagement is documented and a database is maintained by Kinetic which tracks the following:

- Type of meeting
- Company Name
- Kinetic representatives
- ESG related issues raised.

It is the responsibility of the Kinetic team members to take notes on all meetings they have with Companies.

Dissemination of engagement activities

Where an engagement has highlighted a significant issue - the Portfolio Manager (PM) / Investment Analyst (IA) will discuss with the Team as soon as possible. Otherwise the PM/IA will summarise the engagement in the weekly Team Meetings. This provides an opportunity for discussion and learning within the Team.

Review of policy

This policy will be reviewed as required and approved by the Kinetic Board of Directors annually.

Responsibility

The Board has responsibility for this Policy

-- End of Policy