



Remuneration Policy Statement

Kennox Asset Management

2024 - 2025

Remuneration policies and practices

Gender neutral remuneration policies and practices

Kennox Asset Management is committed to encouraging equality, diversity and inclusion among our workforce and eliminating unlawful discrimination. We aim to create a diverse environment that allows each employee to be respected and supported. This extends to equality of pay.

Risk Management

Kennox does not base remuneration on specific performance targets. Staff bonuses are discretionary and are based on individual workplace performance and contribution, and the profitability of the firm.

Business Strategy

Kennox is a boutique assessment management firm with a long-term, conservative view both in the approach to equity investing and how the business is run. The Kennox values of quality and sustainability are reflected in the level of salaries and the allocating of discretionary bonuses.

The long-term aim of the firm is to remain a going concern to provide investment management services to the Fund and, ultimately, the underlying investors. Together this means keeping salaries and bonuses at such a level as not to impact profitability and capital adequacy.

Avoiding conflicts of interest

Our remuneration policy statement is in line with our business strategy and long-term corporate values and aims to avoid conflicts of interest.

It is consistent with and promotes effective risk management. This general rule applies to all staff and as a point of principle, the Financial Conduct Authority expects asset managers to avoid remuneration practices that could promote the taking of excessive risk. Kennox must also not engage in remuneration through alternative vehicles or structures that attempt to avoid the code rules. We ensure all our policies, practices and procedures are clear and documented.

Governance and oversight

Oversight of remuneration policies and practices

The board reviews this policy and is responsible for its implementation. Kennox does not have (nor is it required to have) a separate remuneration committee.

Remuneration policy documentation is reviewed internally annually, and by our external compliance consultants as part of a comprehensive compliance monitoring schedule. Levels of remuneration are reviewed annually by the Board of Directors.

The compliance officers (SMF 16; SMF 17) signs off on any amendments ensuring the necessary updates are reported to the board.

Kennox does not use specific profit-based modelling. Variable remuneration is discretionary and is based on overall firm profitability. Kennox ensures that risks are considered and maintains an excess of capital required by regulations.

Fixed and variable components of remuneration

Categorising fixed and variable remuneration

Kennox pays all staff base salaries and a discretionary bonus that depends on individual performance and the profitability of the business.

Kennox takes a conservative approach to variable remuneration (limited to a discretionary cash bonus – no other long term incentive schemes are in place), ensuring that sufficient capital is always maintained.

Balance of fixed and variable components of total remuneration

In the year ended 30 June 2025, bonuses represented approximately 26% of total remuneration (excluding pension contributions). All staff are made aware that bonuses are dependent on both individual performance, profitability and the capital requirements of the business. As such, it is made clear that in extreme circumstances, there may be no bonuses paid.

There is no formal maximum level for variable pay, but it is anticipated that base pay will always be a meaningful percentage of total remuneration.

Assessment of performance

The firm operates a rigorous review process each year for all individuals. This information feeds into assessment of bonuses to be paid at year end. According to our Equality, Diversity and Inclusion policy, at all times, Directors ensure that remuneration awarded does not discriminate on the basis of the protected characteristics of an individual, in accordance with the Equality Act 2010.