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Form ADV Part 2A Brochure

This brochure provides information about the qualifications and business practices of Kiltearn Partners LLP ("Kiltearn"). Questions about the contents of this brochure should be directed to Kiltearn's Chief Operating Officer, Stuart Gunderson, on 011-44-131-460-1040 or via email on sgunderson@kiltearnpartners.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC"), any other state or federal regulatory authority, any foreign regulatory authority or any self-regulatory body. Additional information about Kiltearn is also available on the SEC's website at www.adviserinfo.sec.gov and Kiltearn's website at www.kiltearnpartners.com.

Kiltearn is a registered investment adviser. Any reference to or use of the terms "registered investment adviser" or "registered," does not imply that Kiltearn or any person associated with Kiltearn has achieved a certain level of skill or training. Investors invested in any one of Kiltearn's commingled funds (collectively referred to as "**Unitholders**") and any separate account clients (together with the commingled funds, collectively referred to as "**Clients**") and prospective investors should rely only on the information contained in this document or in documents that Kiltearn has specifically provided. Kiltearn has not authorized any third (3rd) party to provide information in connection with its investment program or investment operations.

Item 2. Material Changes

Kiltearn is providing this information as part of its annual update of information filed with the SEC. The last update of Kiltearn's Form ADV brochure took place in January 2017 and was made because the firm changed its fax number. A number of clarifications and revisions have been made since that date. The most material amendments are set out below and detailed further under the relevant Items within this Form ADV Part 2 Brochure:

The descriptions in Item 12 have expanded to more accurately reflect Kiltearn's current approach to: (i) selecting and maintaining a list of Approved Brokers (defined below); (ii) selecting Approved Brokers to execute transactions on behalf of Clients; (iii) monitoring the performance of the Approved Brokers in relation to the execution of transactions on behalf of Clients; (iv) the use of broker commissions to pay third (3rd) parties for the provision of research and research-related services; and (v) entering Spot Foreign Exchange Contracts (as defined below) on behalf of the Funds (as defined below) and participating separate account clients.

In relation to (v) above, since early 2017, Kiltarn has executed a significant percentage of Spot Foreign Exchange Contracts for the Funds and participating separate account clients using a foreign exchange trading algorithm developed by Northern Trust with respect to certain highly liquid non-restricted currencies. The algorithm looks at the spot rates offered by a panel consisting of some of the largest foreign exchange dealers, exchanges and liquidity providers and obtains rates to execute Spot Foreign Exchange Contracts on a “best bid, best offer” basis, subject to depth of liquidity, validity of quotes and anti-gaming constraints.

As noted in Item 15, Kiltarn has appointed a third (3rd) party to monitor and give Kiltarn notice of class and group action claims in which Kiltarn’s Funds may be entitled to participate. The third (3rd) party is remunerated directly by Kiltarn for the class and group action monitoring and filing services it provides.

Copies of historic Form ADV Part 2 documents prepared by Kiltarn are available upon request to Kiltarn’s Chief Compliance Officer, Stuart Gunderson, at (sgunderson@kiltarnpartners.com).

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Item 4. Advisory Business

History and Firm Structure

Kiltearn is a United Kingdom (“**U.K.**”) limited liability partnership established in 2011 to specialize in investing in publicly-traded global equity securities. As at March 31, 2017, Kiltearn had approximately US\$11.4 billion of assets under management. Kiltearn does not manage any assets on a non-discretionary basis and does not participate in any wrap fee programs. Kiltearn is authorised and regulated by the Financial Conduct Authority (the “**FCA**”) in the U.K. and is registered as an investment adviser with the SEC in the United States (“**U.S.**”).

As at March 31, 2017, Kiltearn had five (5) working members and, together with its wholly owned subsidiary, have fourteen (14) employees. Kiltearn Limited (“**KP Ltd**”) owns a substantial majority (>95%) of Kiltearn’s capital. The remaining capital has been contributed by the working members. Under the terms of the limited liability partnership agreement (the “**LLP Agreement**”), the working members have the right to nominate individuals who will form part of Kiltearn’s Supervisory Group. The actual appointment or removal of these individuals is determined by vote. Voting rights are determined by capital ownership.

Under the terms of the LLP Agreement, 100% of all of Kiltearn’s capital profits accrue to KP Ltd. Since April 1, 2016, 40% of Kiltearn’s income profits accrue to KP Ltd. The remaining income profits are allocated to the employees and working members of Kiltearn and those of its wholly owned subsidiary, Kiltearn Partners, Inc. (“**KP Inc.**”). A structure chart highlighting Kiltearn’s organisation structure and material direct and indirect owners can be found in Item 10. Kiltearn would be pleased to answer any questions that any Unitholder, separate account client or prospective investor may have on its ownership structure, industry affiliations and/or direct and indirect beneficial owners.

Kiltearn and KP Inc.’s working members, employees and their related parties own 50.1% of KP Ltd (the capital provider to Kiltearn) and Silchester Partners Limited (“**SP Ltd**”) owns 49.9% of KP Ltd. SP Ltd is a member of and capital provider to Silchester International Investors LLP (“**Silchester**”). KP Ltd has two classes of shares. SP Ltd holds 100% of the Class A shares. These shares represent 49.9% of KP Ltd’s authorised share capital and 9.9% of KP Ltd’s voting rights. The working members, employees and their related parties hold 100% of the Class B shares. These shares represent 50.1% of KP Ltd’s authorised share capital and 90.1% of KP Ltd’s voting rights. The A Shares and the B Shares have different rights. The Class B Shares (i.e., those controlled by the working members, employees and their related parties) control KP Ltd. Under KP Ltd’s Articles, the B Shareholders have the right, in perpetuity, to name a majority of KP Ltd’s Board of Directors, elect the Chairman, and control its day-to-day business operations. The consent of A Shareholders is required when material business decisions must be made (such as the sale of the business, the liquidation of the business, significant items of expenditure (i.e., amounts greater than 25% of the company’s capital base), amendments to the articles, etc.).

Kiltearn’s investment philosophy is based on the investment and business approach of Murdoch Murchison. Prior to forming Kiltearn in 2011, Murdoch Murchison has worked at Templeton for over fifteen (15) years and was previously the investment manager of the flagship Templeton Growth Fund, launched by Sir John Templeton in 1954.

Types of Services that Kiltearn Provides to Clients

Kiltearn provides discretionary investment management services to its Clients. Kiltearn brings a wide range of analytical, research, portfolio implementation and administrative skills through its business.

Kiltearn strives to service Clients whose investment needs are growing year-on-year. Kiltearn specialises in investing in publicly-traded equity securities using a bottom-up value investment approach. Kiltearn does not provide financial planning, quantitative planning or market timing services to Unitholders or Clients. Kiltearn generally does not further customise or modify its investment program based on individual Unitholder or Client needs. Unitholders in Kiltearn's Funds are not permitted to impose restrictions on investing in certain securities or types of securities.

Item 5. Fees and Compensation

Kiltearn provides discretionary investment management services to Unitholders in the Kiltearn Global Equity Fund (the "**US Fund**"), the Kiltearn Global Equity (Ireland) Fund (the "**Irish Fund**"), and the Kiltearn Global Equity SRI Fund (the "**SRI Fund**"), collectively known as the "**Funds**", according to the following fee scale:

	% Per Annum
First \$15 million	1.00
Next \$10 million	0.80
Next \$50 million	0.70
Next \$75 million	0.60
Next \$250 million	0.50
Thereafter	0.45

Fees paid by each Unitholder invested in the Funds are based upon the Net Asset Value (as defined below) of the Units held by the Unitholder rather than the value of the Fund itself. Fees are not generally negotiable. However, Kiltearn may rebate fees paid by Unitholders invested in the Funds or charge lesser fees to Unitholders based upon the Kiltearn's relationship with the Unitholder, assets invested by the Unitholder, the timing of the Unitholder's investment, and other factors deemed relevant by Kiltearn. Fees are normally payable monthly in arrears, although the actual timing of Fee payments will depend on the underlying legal domicile of a Fund and the terms of its operating agreements. Fees for Unitholders in the US Fund and the SRI Fund are normally paid via the redemption of part of the Units held by each Unitholder on a monthly basis. Fees for the Irish Fund are treated as an expense of the Irish Fund itself. Separate account clients are generally invoiced on a quarterly basis in arrears for the investment management services that Kiltearn provides. Unitholders, through their participation in the Funds, and separate account clients will incur brokerage and other transaction costs as described in '**Brokerage Practices**' and may incur extraordinary legal expenses (as described below). No other additional fees or expenses are charged.

Kiltearn has no plans at this time to take on any further separate accounts. Kiltearn will, however, open temporary accounts (referred to as "**Transition Accounts**" or "**Security Holding Accounts**") used to facilitate investment in to or withdrawals out of the Funds.

The Funds pay their own direct trading expenses, clearing fees, and other exchange fees and charges. Direct trading expenses include brokerage commissions, "**bid-ask**" spreads and other foreign exchange spreads, mark-ups, clearing fees, registration and transfer fees, regulatory and governmental charges and duties, and other transactional fees and expenses relating to their investments. The Funds are obligated to pay all income, dividend withholding, capital gains and other taxes related to their underlying investments. In addition, the Funds may be required to reimburse Kiltearn or third (3rd) party service providers to the Funds for extraordinary legal expenses not otherwise borne by Kiltearn, including expenses incurred to protect or promote the investment rights or obligations of the Funds and legal or accounting expenses incurred in connection with the

reclamation of foreign withholding taxes for the Funds or reducing the Funds' liability in relation to foreign capital gains taxes.

Kiltearn has paid all expenses incurred in connection with the organization and the formation of Funds. Kiltearn pays all routine legal, audit and accounting fees related to the Funds and the ongoing offering and issuance of Units as well as the Funds' annual audit fees and tax return expenses (if any). Kiltearn pays any fees payable to the custodians, trustees, fund administrators, managers, auditors, tax advisors and the Funds' other service providers. The Funds are not required to reimburse Kiltearn in the event that Fees are insufficient to cover the expenses borne by Kiltearn.

Separate account clients pay their own direct trading expenses, clearing fees, and other exchange fees and charges. Separate account clients directly bear trading expenses include brokerage commissions, **"bid-ask"** spreads and other foreign exchange spreads, mark-ups, clearing fees, stock loan expenses (if applicable), registration and transfer fees, regulatory and governmental charges and duties, and other transactional fees and expenses relating to their investments. Clients using separate accounts are obligated to pay all income, dividend withholding, capital gains and other taxes related to their underlying investments. In addition, separate account clients may be required to reimburse Kiltearn for extraordinary legal expenses not otherwise borne by Kiltearn, including expenses incurred to protect or promote the investment rights or obligations of the separate account clients and legal or accounting expenses incurred in connection with reclaiming foreign withholding taxes or reducing liability in relation to foreign capital gains taxes. Clients using separate accounts are responsible for paying their own legal, audit and accounting fees as well as annual audit fees and tax return expenses (if any). Clients using separate accounts pay any fees payable to their separately appointed custodians, trustees, fund administrators, managers, managing members, auditors, tax advisors and other similar service providers.

Where extraordinary legal expenses are incurred, these will be allocated on a pro rata basis amongst all Clients under Kiltearn's discretionary management on the basis of the number of shares of the specific security or amount of cash and/or other asset held by each Client.

Item 6. Performance-Based Fees and Side by Side Management

Kiltearn does not charge performance based fees to any Unitholders or any separate account clients. As a result, all fees are normally charged on an *ad valorem* basis. Kiltearn, KP Ltd and KP Inc.'s employees, members, directors, shareholders and related parties have invested in the Funds. These employees, partners, members, directors, shareholders and related parties invest in the Funds on the same terms and pay the same Fees as unaffiliated Unitholders in the Funds.

Item 7. Types of Clients

Each Fund, and not the underlying Unitholders in each Fund, is considered a Client pursuant to Rule 203(b) (3)-1 of the Investment Advisers Act of 1940. Kiltearn makes investments on behalf of the Funds for the benefit of the underlying Unitholders in each respective Fund. Units in the US Fund and the SRI Fund are sold only to Unitholders that qualify as **"Accredited Investors"** and **"Qualified Purchasers"** under applicable securities laws. Separate account clients must normally be considered a **"Qualified Institutional Buyer"**. An investment in Units of a Fund or through a separate account involves the risk of loss. Kiltearn, in its capacity as investment manager, is responsible for reviewing and managing the holdings in the portfolio of each Client based on the results of its research activities and for making appropriate recommendations to satisfy the respective investment goals of the Client. Additional information is available in the respective Private Offering Memorandum or Prospectus of

each Fund and the Investment Management Agreements (“IMAs”) in place between Kiltearn and the separate account clients.

Conditions for Managing Accounts

The minimum initial subscription for Units in a Fund is US\$10 million. The minimum additional investment in the Funds is US\$100,000. Kiltearn may, in its sole discretion, accept or reject, in whole or in part, any investment or impose conditions or restrictions on such investment.

Subject to the narrow circumstances in which it may be necessary to suspend redemptions in accordance with the Funds’ governing documents, Unitholders may redeem all or part of their Units in a Fund on any Dealing day by providing Kiltearn with written notice at least six (6) Business Days prior to the Dealing day upon which the redemption is to be effective. Certain documentation must also be returned at least four (4) Business Days prior to such Dealing day. Redemptions from the Funds generally must equal or exceed \$500,000. In the case of the US Fund and the SRI Fund, where Kiltearn deems it is in the best interests of all Unitholders in the relevant Fund and the Fund itself, Kiltearn may, in its sole discretion, cause redemptions to be facilitated via Withdrawal Transition Accounts. Additional information is available in the respective Private Offering Memorandum or Prospectus of each Fund.

As stated above, Kiltearn has no plans at this time to take on any further separate accounts. Kiltearn will, however, open Transition Accounts or Security Holding Accounts used to facilitate investment in to or withdrawals out of its Funds.

Transition Accounts

Kiltearn may, to the extent permitted by law, require investors making contributions of cash, securities and/or other assets to or redemptions from the US Fund and the SRI Fund to use Transition Accounts. Transition Accounts are separate sub-accounts that are opened under the applicable Fund’s general legal structure. They are used to facilitate substantial subscriptions and withdrawals. The Transition Account structure allows Kiltearn to invest contributions outside of the relevant Fund’s direct assets or to liquidate holdings outside of the Fund’s direct assets (and therefore minimize the market impact and liquidity risk from artificially high cash levels being passed to existing Unitholders or remaining Unitholders, as the case may be). All cash, securities and other assets transferred into a Transition Account are valued using the same rules and procedures used in valuing the cash, securities and other assets of the applicable Fund at the date of transfer. The cash, securities and/or other assets contributed into a Subscription Transition Account are used to purchase securities that are consistent with the Fund’s investment objective and that substantially replicate the weighting of the same securities held by the Fund, to the extent practicable. The investments are then transferred into Units in the Fund on the first applicable Dealing Day. The investments transferred to the Withdrawal Transition Account will ordinarily represent a substantially pro rata portion of the investments held by the Fund, to the extent practicable. The securities, cash and other assets in a Withdrawal Transition Account will ordinarily be liquidated into cash and the final proceeds wired to the redeeming Unitholder as soon as reasonably practicable. Unless redemptions from the Fund have been suspended, Kiltearn would normally expect that the proceeds of any redemption facilitated by Withdrawal Transition Accounts shall be paid within thirty (30) Business Days of the transfer of securities to the Withdrawal Transition Account. In the event a given security position or other asset held within a Withdrawal Transition Account cannot be liquidated in order to meet this timeframe, Kiltearn will notify the redeeming Unitholder and, to the extent practicable, direct The Northern Trust Company (The Northern Trust Company or one of its direct or indirect subsidiaries, collectively “**Northern Trust**”, has been appointed to act as the custodial trustee for the US Fund and SRI Fund

and the global sub-custodian for the Irish Fund) to transfer the security position by way of an *in specie* transfer to the redeeming Unitholder's custodian. In the event the security, cash or other asset cannot be transferred, the thirty (30) Business Days requirement will be disregarded and Kiltarn will arrange for the liquidation of the security, cash or other asset as soon as practicable. By investing new cash flows or liquidating the securities separately, the incoming or outgoing Unitholders bear their own market risk during the investment or redemption period, as well as the dealing costs associated with the investment or redemption, as applicable. Kiltarn believes that these procedures safeguard the benefits of commingled investing for all prospective investors, Unitholders and redeeming investors. Further, Kiltarn believes it represents a fair and equitable way of accommodating periodic subscriptions and withdrawals. Prospective investors should refer to the specific provisions of the US Fund or the SRI Fund's Private Offering Memorandum for a complete discussion of Transition Accounts and the risks involved therein.

Side letter Agreements

Kiltarn generally will consider entering into a side letter agreement only when rules governing a specific Unitholder (such as state law or the governing documents related to such Unitholder) requires a specific variation, provided that such change is not expected to materially impact Kiltarn, other service providers to the Funds or other Unitholders. It is Kiltarn's policy not to agree to any side letter or other similar agreements that grant any Unitholder or group of Unitholders preferential rights with respect to the payment or timing of redemptions, indemnification from Kiltarn, the law governing Kiltarn's and each Unitholder's responsibilities under the governing documents for the Funds, or access to data on a Fund's holdings or trading activity. Kiltarn will provide a summary and a redacted copy of all side letter agreements currently in effect in relation to a Fund upon the written request of a Unitholder in that Fund. Kiltarn will also provide a summary of all side letter agreements currently in effect in relation to a Fund on an annual basis when the respective Fund's audited financial statements are distributed.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Investment Strategy and Analysis

Kiltarn provides discretionary investment management services to Clients according to a clear investment strategy. The investment objective is to achieve long-term growth primarily by investing in a diversified portfolio of global equity securities.

Kiltarn believes that securities with low market price to earnings, cash flow, asset value, sales ratios or dividends typically, but not necessarily, possess fundamental investment value. Investments meeting the above criteria are identified by Kiltarn in part through the use of database screens. Kiltarn carries out financial analysis on prospective investments, including reviews of their underlying business strengths and weaknesses, their plans and their management. Investments that appear attractive according to Kiltarn criteria generally will constitute a high proportion of each Client's portfolio.

When allocating Clients' investments among geographic regions and individual countries, the prime determinant for Kiltarn is the attraction of the individual security investments (a "**bottom up**" approach). Kiltarn seeks to retain a reasonable diversification of investments across countries and industries for Clients and, consequently, Kiltarn will be required to cause Clients to enter into Spot Foreign Exchange Contracts as Clients will incur exposure to foreign currencies. A "**Spot Currency Contract**" is defined as any currency contract that is entered into in order to: (i) settle the acquisition of any asset, the price of which is denominated in a foreign currency; (ii) effect the repatriation of

foreign currency proceeds from the sale of an asset; or (iii) effect the repatriation of foreign currency proceeds from income or expenses arising therefrom.

Due to restrictions on direct investments by foreign entities in certain foreign countries, investments in other investment companies may be the most practical or only manner in which Clients can obtain certain securities. Accordingly, subject to a Client's Investment Guidelines, Kiltarn may cause a Client to invest up to (10%) of the assets in its portfolio in U.S. and foreign collective investment companies. It should be noted, however, that investments in investment companies may: (i) involve the payment of premiums above the net asset value of such issuers' portfolio securities, (ii) be constrained by market availability, and/or (iii) be considered passive foreign investment companies for federal income tax purposes. As a shareholder in such an investment company, the Client would bear its pro rata share of that company's expenses. Kiltarn does not expect that such investments will comprise a major part of any Client's portfolio. In the unlikely event that Kiltarn causes a Client to make an investment in a U.S. or foreign collective investment company sponsored by Kiltarn, Kiltarn will waive any investment management fees payable to it with respect to such investment in such underlying investment company and Kiltarn will pay the same costs associated with operating such investment company as it does for the Funds.

Kiltarn has established various investment parameters for each Client's portfolio. The investment parameters limit, amongst other items, the percentage of a Client's portfolio that Kiltarn is permitted to invest in securities with particular characteristics, individual securities and securities of issuers located in particular countries or sectors. The applicable investment parameters are outlined more fully in the Investment Guidelines set out in the confidential Private Offering Memorandum or Prospectus of each Fund and in the IMAs in place with separate account clients.

As many issuers have multinational operations, an issuer's location will ordinarily be determined by factors such as: (i) its jurisdiction of incorporation; (ii) the location of its head office, primary market, significant sources of revenues, income or the location of its assets; or (iii) its classification as determined by various market indices. To achieve its objectives, Kiltarn generally seeks to invest its Clients' portfolios in securities that, in its opinion, possess fundamental investment value.

Types of Investments

Kiltarn will cause the Clients to invest primarily in established markets; however, Kiltarn may also invest a portion of Clients' assets in emerging market securities and currencies. Kiltarn is permitted to cause its Clients to utilize a wide range of equity instruments in attempting to achieve its objective, including both common and preferred stocks, special classes of shares available only to foreign persons in markets which restrict the ownership of certain classes of equity to nationals or residents of the country and depository receipts. Kiltarn is permitted to cause Clients to invest in physical currency and Spot Foreign Exchange Contracts.

Subject to each Client's Investment Guidelines, Kiltarn may cause Clients to invest in (i) non-exchange traded securities including private placements and securities subject to transfer restrictions under Rule 144A or Regulation S of the Securities Act of 1933 or otherwise commit to acquire securities on a forward commitment basis, and (ii) unregistered and bearer securities. Kiltarn does not cause its Clients to invest in futures or options on futures. Kiltarn may, however, cause Clients to invest in, hold, and purchase, or otherwise acquire rights, stock options, stock coupons, warrants, and other similar investments issued, sold, or distributed by an issuer as part of a corporate action or other similar transaction. Kiltarn may cause Clients to purchase the securities of issuers during an initial public or secondary offering of securities. Issuers involved in initial public or secondary offerings of securities typically have short operating and trading histories and generally are less established. The

prices of securities issued as part of initial public or secondary offerings traditionally have been quite volatile. Kiltarn may be required to agree to transferability restrictions as a precondition for participating in these types of security offerings.

Frequency of Trading

Over the course of a market cycle, Kiltarn would expect the turnover of securities within its Clients' portfolios to typically be in the range of twenty percent (20%) to thirty-five percent (35%) per annum. Kiltarn makes investment decisions on when to cause Clients to sell a security solely based on its own investment criteria and does not take into account tax considerations. In other words, Kiltarn does not engage in "**tax loss harvesting**" strategies on behalf of Clients.

Strategy Risks:

There are a number of material risks associated with investing in publicly-traded global equities. These include, but are not limited to, the following matters. Information on investment risks is disclosed in each Fund's Confidential Private Offering Memorandum or Prospectus and in IMAs for separate account clients.

- *Global Market Exposure.* Kiltarn causes Clients to invest on a global basis in both developed and emerging market securities and currencies. In doing so, Clients are subject to: (i) currency exchange-rate risk; (ii) the possible imposition of withholding, income, capital gains or excise taxes; (iii) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and little or potentially biased government, stock exchange or financial supervision and regulation; (iv) financial, economic and political risks, including expropriation, currency exchange control and potential restrictions on foreign investment and repatriation of capital; and (v) global market turmoil.

Holders of equity securities are subject to risks, including: (i) potential periods of illiquidity; (ii) increased price volatility; (iii) volatility of exchanges in the case of securities with small market capitalization; (iv) evolving clearance and settlement procedures; and (v) potential restrictions on foreign investment, security transfers and the repatriation of investment income and capital. Currencies may experience significant declines against the U.S. Dollar either as a result of market pressures or government devaluation. Trading may be subject to governmental or significant administrative restrictions or only tradable with certain approved counterparties. In the case of the Funds, approved counterparties are typically sub custodians appointed by Northern Trust. These factors may result in higher spreads being paid when the currencies are traded.

Inflation in emerging markets has historically been in excess of inflation in more established countries, increasing negative pressures on emerging market economies and markets.

- *Depository Receipts.* Kiltarn may cause Clients to invest in depository receipts if issues of these depository receipts are available that are consistent with Kiltarn's investment objective. Depository receipts generally evidence an ownership interest in a corresponding foreign security on deposit with a financial institution. Transactions in depository receipts usually do not settle in the same currency in which the underlying securities are denominated or traded. Generally, American Depository Receipts, in registered form, are designed for use in the U.S. securities markets and European Depository Receipts, in bearer form, are designed for use in European securities markets. Global Depository Receipts may be traded in any public or private securities markets and may represent securities held by institutions located anywhere in the world.

Kiltarn may cause Clients to invest in depository receipts through "sponsored" or "unsponsored"

facilities if issues of such depository receipts are available and are consistent with Kiltearn's investment objective. A sponsored facility is established jointly by the issuer of the underlying security and a depository, whereas a depository may establish an unsponsored facility without participation by the issuer of the deposited security. Holders of unsponsored depository receipts generally bear all the costs of such facilities and the depository of an unsponsored facility frequently is under no obligation to distribute shareholder communications received from the issuer of the deposited security or to pass through voting rights to the holders of such receipts in respect of the deposited securities. In addition, local practices in foreign markets (such as a requirement to be physically present in order to vote, a need for foreign language translation of voting materials or complex share registration procedures) may make exercising voting rights more difficult for holders of depository receipts.

Investments in non-U.S. issuers through depository receipts and similar instruments may involve certain risks not applicable to investing in U.S. issuers, including: (i) changes in currency rates; (ii) the application of local tax laws; (iii) changes in governmental administration or economic or monetary policy; (iv) changing circumstances in dealings between countries; or (v) the expropriation or nationalization of assets.

- **Sanctions Risk.** Kiltearn recognizes that as its U.S.-based Clients are organized under the laws of the U.S., Kiltearn is required to manage its U.S.-based Clients' portfolios in a manner consistent with U.S. trade sanction laws, regulations rules and restrictions (collectively "**Sanctions Laws and Regulations**"). Kiltearn is consequently not permitted to cause U.S.-based Clients to invest in the securities of a non-U.S. issuer where: (i) the issuer is incorporate in a sanctioned country; (ii) the issuer has significant business operations or activities in a sanctioned country; (iii) the issuer has Specially Designated National ("**SDN**") status, as designated by the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**"); or, (iv) the issuer is fifty percent (50%) or more owned or otherwise controlled by one or more legal persons with SDN status, as designated by OFAC. Kiltearn has reasonable, risk-based compliance policies, procedures and processes in place designed to ensure it manages U.S.-based Clients' portfolios in compliance with the Sanctions Laws and Regulations. As part of its sanction policies, procedures and processes, Kiltearn has subscribed to a third (3rd) party database that provides data on issuers that are currently subject to sanctions; however, there is no guarantee that this database will be accurate. Further, if an issuer becomes sanctioned after Kiltearn has caused a U.S.-based Client to purchase securities in the issuer, Kiltearn could be prohibited from selling or transacting in these securities for the U.S.-based Client's portfolio. This could impact the liquidity of the U.S.-based Client's portfolio.
- **Investment in Initial Public Offerings, Secondary Offerings and New Issues.** To the extent permitted by law and each Client's Investment Guidelines, Kiltearn may cause a Client to purchase the securities of issues during an initial public or secondary offering of securities as well as new issues. Issuers involved in initial public or secondary offerings of securities typically have short operating and trading histories and generally are less established. The prices of securities issued as part of initial public or secondary offerings traditionally have been quite volatile. Kiltearn also may be required to agree to certain transferability restrictions as a precondition for participating in these types of security offerings.
- **Spot Foreign Exchange Contracts.** Kiltearn may cause Clients to engage in trading in the interbank Spot Foreign Exchange Contracts.

Clients are subject to the risk of a principal's failure or inability or refusal to perform with respect to such Spot Foreign Exchange Contracts. The bankruptcy or insolvency of a principal with which a Client contracted, or the failure, inability or refusal of such principal to perform, would likely

result in a default, thereby depriving the Client of unrealized profits or forcing the Client to cover its commitments for resale, if any, at the then market price. If Kiltarn places trades for Clients through an agent, the insolvency or bankruptcy of such party could also subject Clients to the risk of loss.

Northern Trust acts as the principal counterparty for each Fund's Spot Foreign Exchange Contracts. Kiltarn does not require Northern Trust to provide collateral to support unrealized gains related to each Fund's Spot Foreign Exchange Contracts. Therefore, the collection of amounts due to each Fund is subject to the overall creditworthiness of Northern Trust and the default by or bankruptcy of Northern Trust could result in material losses to the contracting Fund. In the event of an "extraordinary" event (or a dispute as to whether an event is "extraordinary"), volatility or irregularities in a given foreign exchange market, or for other factors, Northern Trust may be unable to (or choose not to) execute the contracting Fund's Spot Foreign Exchange Contracts. This could result in material losses to the relevant Fund.

Separate account clients name their own custodians and consequently Spot Foreign Exchange Contracts may be traded on their behalf in a materially different manner to those traded on behalf of the Funds. As a result, the risks associated with those Spot Foreign Exchange Contracts may differ materially from those discussed above.

- *Convertible Securities.* Subject to each Client's Investment Guidelines, Clients may from time to time acquire convertible securities, including convertible bonds and convertible preferred stock, as part of a corporate action or other similar transaction.

As Clients may receive convertible bonds, Clients could become subject to interest rate and credit risk. Interest rate risk is the risk that the value of Clients' portfolios will decline because of rising market interest rates (bond prices move in the opposite direction of interest rates). The longer the average maturity of an interest rate sensitive security, the greater its interest rate risk in general. Credit risk is the risk that an issuer of a bond is unable or unwilling to meet its obligation to make interest and principal payments when due as a result of changing financial or market conditions. Generally, lower rated bonds provide higher current income but are considered to carry greater credit risk than higher rated bonds.

Convertible preferred stocks may provide higher yields than the underlying equity securities, but generally offer lower yields than non-convertible securities of similar quality. The value of convertible preferred stocks fluctuates in relation to changes in interest rates like bonds, and, in addition, fluctuates in relation to the underlying equity securities.

- *Options.* Subject to each Client's Investment Guidelines, Kiltarn may from time to time acquire options for a Client as part of a corporate action or other similar transaction. Investing in options can provide a greater potential for profit or loss than an equivalent investment in the underlying asset. The value of an option may decline because of a decline in the value of the underlying asset relative to the strike price, the passage of time, changes in the market's perception as to the future price behavior of the underlying asset, or any combination thereof. In the case of the purchase of an option, the risk of loss of an investor's entire investment in the option (i.e., the premium paid plus transaction charges) reflects the nature of an option as a wasting asset that may become worthless when the option expires.
- *Warrants.* Subject to each Client's Investment Guidelines, Kiltarn may from time to time acquire equity warrants for a Client as part of a corporate action or other similar transaction. Equity warrants are securities that give the holder the right, but not the obligation, to subscribe for newly created equity issues of the issuer or a related company at a fixed price either on a certain date

or during a set period. Changes in the value of a warrant do not necessarily correspond to changes in the value of its underlying security. The price of a warrant may be more volatile than the price of its underlying security, and a warrant may offer greater potential for capital appreciation as well as capital loss. Warrants do not entitle a holder to dividends or voting rights with respect to the underlying security and do not represent any rights in the assets of the issuer. A warrant ceases to have value if it is not exercised prior to its expiration date. These factors can make warrants more speculative than other types of investments.

- *Price Fluctuations.* Prices of equity securities and other instruments are highly volatile and may respond to a number of factors that affect markets in general, as well as factors that affect particular companies or other issuers. For example, prices are affected by a wide variety of complex and difficult-to-predict factors, including, but not limited to: (i) the supply of money; (ii) inflation; (iii) weather and climatic conditions; (iv) changing supply and demand relationships; (v) governmental activities and regulations; (vi) political and economic events; and (vii) the prevailing psychological characteristics of the marketplace. These same factors also can affect the securities markets adversely. Prices of equity securities also may be affected by individual company earnings, product developments and other factors that affect particular companies.
- *Position Limits.* Market regulatory authorities may, from time to time, establish limits as to the maximum number of shares that a discretionary investment manager and its affiliated companies (such as Kiltearn and its various associated entities) may hold or control, on behalf of its Clients, in particular securities of an issuer without requiring the investment manager to make an offer to purchase all the outstanding shares of the issuer or obtaining a regulatory waiver to hold a larger position. The relevant tax authorities may also assess additional income, capital gain and withholding taxes in these situations. All commingled funds and separate accounts controlled by Kiltearn and its associated companies may be combined for these purposes. It is possible that trading decisions of Kiltearn and its associated entities may have to be modified such that a further position in a given issuer is not acquired or that positions held by a Client would have to be liquidated to avoid exceeding such limits or that such limits may, in fact, be exceeded. This may influence the overall return of Clients and Unitholders.
- *Illiquidity.* Kiltearn may cause Clients to purchase investment instruments that later become illiquid or otherwise restricted. The decision to cause Clients to hold or liquidate such securities is at the sole discretion of Kiltearn. Where the liquidation of positions become necessary, Kiltearn might only be able to cause Clients to liquidate these positions at disadvantageous prices. For example, substantial redemptions from one of the Funds could require Kiltearn to cause the Fund in question to liquidate its positions more rapidly than otherwise desired in order to obtain the cash necessary to fund the redemptions. Illiquidity in certain markets could make it difficult for Kiltearn to liquidate positions on favorable terms, thereby resulting in losses or a decrease in the Net Asset Value of a Client's portfolio. Although the vast majority of the securities that Kiltearn causes Clients to acquire are traded on public exchanges, each exchange typically has the right to suspend or limit trading in the securities which it lists. Such a suspension could render it difficult or impossible for Kiltearn to liquidate any or all of its Clients' positions and would thereby expose Clients to losses. Clients' portfolios therefore may be locked into an adverse price movement for several days or more which may result in immediate and substantial losses.
- *Transactions on Non-U.S. Exchanges.* Kiltearn engages in trading for Clients on global markets. Transactions on non-U.S. exchanges are not regulated by U.S. governmental agencies. Some non-U.S. exchanges may be "principals markets" in which responsibility for performance is only that of the principal with whom a trader has entered into a transaction and not of an exchange or clearing corporation. In some cases, a broker with whom Kiltearn causes Clients to enter into a transaction with may, in effect, take the opposite side of trades. Because some non-U.S. exchanges lack a

clearinghouse system, market disruptions may be more likely to occur and, in extreme circumstances such as the failure of a broker or other counterparty, the settlement of security trades may be delayed or cancelled. To minimize the risk of broker or counterparty default and subsequent loss to Clients, Kiltarn will ordinarily arrange for security purchases and sales to be settled on a “delivery versus payment” basis.

- *Cash Balances.* The U.S. Dollar cash balances for the US Fund and the SRI Fund are currently invested in the Government Select Portfolio, a money market fund sponsored by Northern Trust. The Government Select Portfolio primarily invests in securities issued by the U.S. Government, government agencies and government sponsored enterprises. The U.S. Dollar cash balances for the Irish Fund are currently invested in a deposit account established by Northern Trust. Kiltarn may direct Northern Trust to hold the Funds’ U.S. Dollar cash balances in other money market funds, deposit accounts or other vehicles in its sole discretion. The US Fund and the SRI Fund could incur losses in the event that the net asset value of the Government Select Portfolio falls below US\$1.00 or if redemptions from the Government Select Portfolio or such other money market funds, deposit accounts or other vehicles were restricted by Northern Trust.

The Funds’ non-U.S. Dollar cash balances are held in deposit accounts established by Northern Trust. These deposit accounts are subject to counterparty and credit risk (for example, if Northern Trust were to declare bankruptcy or otherwise default on its financial obligations). The Funds could incur losses in the event of any such default or if the return of these deposits was restricted.

Separate accounts clients name their own custodians and consequently the cash balance arrangements for their accounts, and the associated risks, may be materially different from those set out in the preceding paragraphs.

- *No Formal Diversification Policies.* Although the allocation of Clients’ assets across different securities and markets is an integral part of Kiltarn’s overall portfolio risk management process, except as provided in the Investment Guidelines that may be maintained with respect to a given Client, Kiltarn has not adopted fixed guidelines for diversification of its Clients’ investments among issuers, countries, instruments or markets and may be heavily concentrated, at any time, in a limited number of positions. In attempting to maximize Clients’ returns, Kiltarn may concentrate the holdings of a Client in those countries, issuers, instruments or markets which, in the sole judgment of Kiltarn, provide the best profit opportunity in view of Kiltarn’s investment objective.
- *Credit Risk.* Clients are subject to the risk that the brokers and counterparties with which, and the exchanges on which, Kiltarn executes transaction or carries positions on behalf of Clients, may default. The default by an exchange, clearinghouse or counterparty could result in material losses. Certain markets require all securities to be held in a central securities depository and, in certain cases, the depository may be owned by a foreign government or government body and not be supported by a national network of well capitalized financial institutions. The default of such government or depository, or the failure of such depository to maintain suitable and sufficient procedures to mitigate against theft or loss, could result in material losses to Clients. To minimize transaction and foreign exchange dealing costs, Kiltarn may request that a broker “warehouses” smaller security trades. In these situations, the executed trade remains the property of the broker until such time as the trade is allocated to a specific Client. If the broker or counterparty defaults or declares bankruptcy, the Client could suffer losses.
- *Investment Approach.* There is no guarantee that the investment approach, techniques, or strategies utilized by Kiltarn on behalf of Clients will be successful or profitable. All investments made by Kiltarn for Clients risk the loss of capital. Furthermore, there can be no assurance that

the specific trading strategies utilized by Kiltearn for Clients will produce profitable results. Unlike certain other types of funds, it is the intention that the Funds will have only one (1) investment manager.

- *Currency Risk.* Kiltearn may cause a Client to invest in assets that are denominated in a currency other than their base currency. Accordingly, the value of a Client's investment may be affected favorably or unfavorably by fluctuations in the rates of the different currencies. As the currency exposure arising from the investment in assets denominated in a currency other than a Client's base currency is not hedged, performance may be strongly influenced by movements in exchange rates because the currency positions held by a Client may not correspond with the securities positions held.
- *Eurozone Risks.* One or more countries may abandon the Euro and/or, as the U.K. is currently in the process of doing, withdraw from the European Union ("EU"). The impact of these actions, especially if they occur in a disorderly fashion, is not clear but could be significant and far-reaching. Whether or not Kiltearn causes Clients to invest in securities of issuers located in the EU or with significant exposure to EU issuers or countries or not, these events could negatively affect the value and liquidity of Clients' investments. If the Euro is dissolved entirely, the legal and contractual consequences for holders of Euro-denominated obligations would be determined by laws in effect at such time. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of Clients' investments.

Item 9. Disciplinary Information

There have been and are no material criminal, civil, regulatory, business, or administrative proceedings against Kiltearn or any of its employees, members, principals, affiliated entities or advisory affiliates. Kiltearn and its employees, members, principals, affiliated entities or advisory affiliates are not currently in litigation or arbitration and have not received any subpoenas. Neither Kiltearn nor any of its employees, members, principals, affiliated entities or advisory affiliates have ever been subject to any criminal proceeding.

Item 10. Other Financial Industry Activities and Affiliations

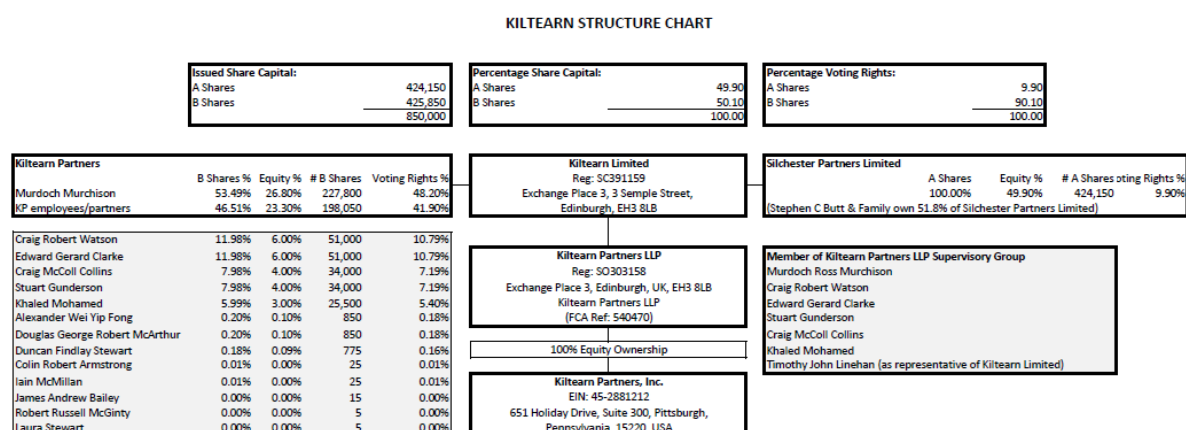
Kiltearn and KP Ltd are not affiliated with any banks, broker dealers and/or custodians. Kiltearn is an independent limited liability partnership that is owned and controlled by its members. KP Ltd is owned and controlled by current Kiltearn employees, working members and their related parties as well as by SP Ltd. Kiltearn has one wholly owned subsidiary, KP Inc. KP Inc. provides marketing and client service support principally to North American based Unitholders in the Funds, U.S. separate account clients and U.S. consultants. KP Inc. also acts as the tax matters partner and registered agent for service of process for the US Fund and SRI Fund.

SP Ltd, though its holding in KP Ltd, is an indirect minority owner of Kiltearn. SP Ltd is entitled to receive dividends on a periodic basis from KP Ltd pursuant to the terms of KP Ltd's articles and memorandum of association. SP Ltd is a partner in Silchester, a U.K. based investment manager registered with the SEC as an investment adviser (SEC File Number: 801-49530).

SP Ltd also maintains direct and indirect investments in a number of other regulated investment management firms. Kiltearn does not have any material business relationships with these firms and, as a result, has not described them in their regulatory filings. Further information on these other investment management firms is disclosed in Silchester's ADV Part 1 and ADV Part 2. Silchester's CRD Number is 110987. Alternatively, information is available from Silchester's Head of Operations, Timothy Linehan (tlinehan@silchester.com).

Timothy Linehan, Silchester's Head of Operations and a SP Ltd Director, sits on the Supervisory Group of Kiltarn in the capacity of Non-Executive Member, which has limited influence in the day-to-day management of Kiltarn's operations and business. SP Ltd and its shareholders are eligible to receive dividends from KP Ltd as the result of its equity holding in KP Ltd. Timothy Linehan sits on the Board of KP Ltd in the capacity of Non-Executive Director, with limited influence in the day-to-day management of KP Ltd's operations and business. Silchester employees and partners, SP Ltd and its shareholders and former employees and their related parties may from time to time invest assets in Kiltarn's Funds.

Kiltarn's Organisation Chart



Subsidiary – Tax Matters Partner:

Kiltarn, through its wholly owned U.S. subsidiary, KP Inc., serves as tax matters partner for the US Fund and the SRI Fund. The US Fund and the SRI Fund are legally considered to be Delaware statutory trusts, but are treated as partnerships for U.S. income tax purposes. KP Inc. also serves as the agent for service of process for Kiltarn with respect to certain regulatory and tax filings, including the SEC, the U.S. Department of Labour and the IRS, as well as so-called state blue sky or limited offering notices.

Privacy Considerations:

Kiltarn is committed to maintaining the confidentiality, integrity and security of personal information provided by Unitholders and separate account clients. Personal information may be obtained in a number of ways, such as during the application process for Units in a Fund or ongoing communications between Kiltarn and Unitholders or separate account clients. All information obtained about Unitholders and separate account clients is treated as confidential unless the Unitholder or separate account client has otherwise made the information public, such as its relationship with Kiltarn or, in the case of a Unitholder, its investment in a Fund. Kiltarn generally exercises the same care dealing with personal information obtained from Unitholders and its separate account clients that Kiltarn uses in dealing with its own internal confidential information.

Kiltarn protects personal information provided by Unitholders and separate account clients in a number of ways. All of Kiltarn's staff are subject to policies reasonably designed to protect Unitholder and separate account client confidentiality. Subject to applicable record retention requirements, Kiltarn takes reasonable measures to dispose of personal information to protect against unintended access and use. Kiltarn has adopted various procedures to implement its policy and reviews to monitor and ensure the policy is observed, implemented properly and amended or updated as appropriate. Kiltarn attempts to ensure that its systems are secure and aims to apply

password protections, firewalls, encryption technologies, and other mechanisms to guard confidential Unitholders and separate account client information that are believed by Kiltearn to be suitable and sufficient based on the size and nature of its business. Select physical and procedural safeguards have been established to guard Unitholders and separate account client information. Former staff are also prohibited from disclosing non-public personal information.

Kiltearn will not, without a Unitholder or separate account client's prior written consent, disclose the Unitholder or the separate account client's name or other information which might reasonably identify the Unitholder or the separate account client or their beneficial owners in advertising, publicity or otherwise except where such disclosure is: (i) required by any foreign or domestic law or regulation or a foreign or domestic court of competent jurisdiction; (ii) requested or required by any government department, agency or taxing authority; (iii) required in order for Kiltearn to defend an action brought against it by the Unitholder or the separate account client; or (iv) required to be made to a third (3rd) party service provider in the proper performance of Kiltearn's duties in accordance with the relevant Fund's governing documents or the IMA in place between Kiltearn and the separate account client, so long as such third (3rd) party service provider is also subject to a duty of confidentiality.

Kiltearn will not, without a Unitholder or separate account client's prior written consent, represent, directly or indirectly, that any product or any service provided by Kiltearn has been approved or endorsed by the Unitholder or separate account client.

On at least an annual basis, Kiltearn provides copies of its privacy policy to Unitholders and separate account clients. Unitholders and separate account clients may request a copy of the current privacy policy at any time by contacting Kiltearn's Chief Operating Officer. The Chief Operating Officer's contact details are shown on the opening page of this document.

Item 11. Code of Ethics; Participation or Interest in Client Transactions and Personal Trading

Kiltearn has adopted a Code of Ethics to effectuate the purposes and objectives of Rule 204A-1 of the Investment Advisors Act of 1940. The Code of Ethics sets forth Kiltearn's business conduct in its capacity as a fiduciary for its Clients and establishes standards of conduct for its supervised personnel. The Code of Ethics was developed with the view that Kiltearn is, and wishes to remain, closely aligned with the interests of its Clients and Unitholders. Among the topics covered in the Code of Ethics, the following are discussed: (i) prohibitions on insider trading; (ii) resolving conflicts of interest; (iii) personal securities transactions; and (iv) confidentiality of Client and Unitholder information. Kiltearn will provide a copy of its Code of Ethics to any Client, Unitholder or prospective investor upon request and without charge. To obtain a copy of Kiltearn's Code of Ethics, please contact Kiltearn's Chief Operating Officer. The Chief Operating Officer's contact details are shown on the opening page of this document.

Participation or Interest in Client Transactions:

Kiltearn established each of the Funds and pays for the ongoing costs of operating these Funds, including custody, fund administration, legal (excluding extraordinary legal costs), tax accounting, annual audit and reporting fees. Kiltearn derives Fees from each Unitholder based upon the Net Asset Value of each Unitholder's Units in the Funds. KP Inc. and its employees and their related parties are permitted to, and have, invested in the US Fund and the SRI Fund. Employees and members of Kiltearn as well as Kiltearn's related parties have invested in the US Fund, the SRI Fund and the Irish Fund. KP Inc. serves as the tax matters partner for U.S. income tax purposes of the US Fund and the SRI Fund.

Personal Account Trading Policies:

Under Kiltearn's Code of Ethics, employees and members of Kiltearn and its subsidiaries may not ordinarily trade in any publicly-traded equity securities for their own accounts. Certain allowances are provided for the disposal of restricted shares and/or options purchased prior to joining the firm, received from prior employers or received through inheritance or gift. Further information is available in the Code of Ethics. Kiltearn's procedures prohibit Kiltearn from favouring accounts in which it, its associated entities, or its/their employees, partners, principals, directors or members have a direct or indirect financial interest over the accounts of other Clients. Certain agents and other independent contractors (including individuals that may provide research to Kiltearn on a contractual basis) may be subject to differing restricted trading procedures. Employees and members of Kiltearn are generally prohibited from acting as the directors of any publicly-traded companies that may form part of a Client's portfolio.

Determination of Type, Number and Timing of Transactions:

Other than as specified by a Fund's Investment Guidelines or pursuant to the terms of a separate account IMA, Kiltearn has sole authority to determine, without obtaining consent from relevant Unitholders or the relevant separate account client, the specific securities and the quantity of those securities to be bought and sold for each Client's portfolio.

Item 12. Brokerage Practices

Brokerage Selection and Commission Issues:

Kiltearn selects brokers, in its sole direction, to execute all security transactions on behalf of its Clients. Kiltearn is not affiliated with any broker. As permitted by applicable law and described in more detail below, Kiltearn may, from time to time, direct a Client to purchase or sell equity securities directly from or to another Client as part of transactions. In ordinary circumstances, these transactions are also facilitated by brokers.

Under the FCA's rules, Kiltearn is obligated to take all "reasonable" steps to obtain "best execution" on all security transactions for its Clients. Under the SEC's rules, Kiltearn is also obligated to seek "best execution" on all security transactions for its Clients. Following the introduction of the revised Markets in Financial Instruments Directive and the Markets in Financial Instruments Regulation ("**MiFID II**"), which is expected to occur on January 1, 2018, Kiltearn will be obligated by the FCA to take all "sufficient" steps to obtain "best execution" on all security transactions for its Clients. In order to fulfil its obligations, Kiltearn uses the broker selection process discussed below.

Broker Relationships

Kiltearn maintains relationships with a number of brokers to execute its Clients' transactions (each an "**Approved Broker**"). As a general rule, Kiltearn intends to maintain relationships with three (3) to six (6) Approved Brokers at any given time. Kiltearn believes that maintaining a number of broker relationships in this range ensures that Kiltearn: (i) has a suitable choice of brokers when determining how best to meet its obligation of "best execution" in relation to Clients' transactions; (ii) can build sustainable business relationships with the Approved Brokers, allowing the Approved Brokers to understand the requirements of and add value to the services they provide Kiltearn's Clients; and (iii) can effectively monitor the performance of each Approved Broker, both in context of the overall relationship and on a transaction-by-transaction basis.

Kiltearn initially selects and continuously monitors each Approved Broker based on factors that it believes assist Kiltearn in its endeavors to meet its obligations to Clients. In relation to each Approved Broker, these factors include, but may not be limited to: (i) the rates of commission it is willing to accept; (ii) the capacity in which it acts or will act; (iii) the coverage it offers; (iv) its quality ranking

relative to its peers, inclusive of its relative performance and operational efficiency, in markets of interest (this is based on a review conducted by an independent third (3rd) party); (v) the share of the market it has in markets of interest (this is based on a review conducted by an independent third (3rd) party); (vi) its observable level of integrity and regulatory standing; (vii) its credit-worthiness and financial responsibility; (viii) its error rate, as well as its efficiency in taking corrective action when an error does occur; (ix) specialist knowledge or experience that it has that will likely add value to the quality of the service offered; and (x) any issues it has that may detract from the quality of the service offered. Please note that the factors in the prior sentence are not listed in an order that indicates their relative importance to Kiltarn in its broker selection process.

In the event that Kiltarn believes that there is a significant deterioration in the quality of service offered by an Approved Broker or market confidence in an Approved Broker or there is another issue with an Approved Broker of a similar nature and magnitude, Kiltarn will likely suspend the Approved Broker until it is satisfied suitable action has been taken to correct the issue at hand. Kiltarn may, in its sole discretion, terminate the relationship with an Approved Broker at any time. This will likely occur if Kiltarn believes that: (i) there is an issue with an Approved Broker that is so significant that it is not capable of being corrected; (ii) an issue with an Approved Broker has not been suitably corrected within a reasonable timeframe; (iii) an issue is one of a number of issues that has impacted the quality of services over an unacceptably short period of time; or (iv) Kiltarn is looking to replace an Approved Broker with another broker that it believes will better serve the interests of its Clients.

As of March 31, 2017, Kiltarn maintains relationships with six (6) Approved Brokers. All six (6) Approved Brokers offer global coverage, are paid the same rates of commission (which vary dependent on the type of brokerage arrangement being used to execute a transaction on behalf of Kiltarn's Clients) and have commission sharing arrangements ("**CSAs**") in place to collect soft dollar commissions to remunerate third (3rd) parties that provide research and research-related services to Kiltarn (referred to as "**Soft Dollar Commissions**").

Selection of Approved Broker for Clients' Transactions

In selecting an Approved Broker for a transaction being executed on behalf of its Clients, Kiltarn seeks the best combination of price and quality of execution services, after considering other factors that may impact the transaction. These factors include, but are not limited to: (i) the particular expertise of the Approved Broker with respect to the size or nature of the transaction; (ii) the commission rates charged (as noted above, as at March 31, 2017, all Kiltarn's Approved Brokers receive the same rates of commission); (iii) the nature and character of the relevant markets on which the transactions will be executed; and (iv) the Approved Broker's relevant execution experience and operational efficiency.

Kiltarn executes transactions on behalf of Clients using various brokerage arrangements. A number of points relating to these arrangements that may be of interest are highlighted below:

- ***"Execution Only" and "Agency" Broker Arrangements.*** In these arrangements, the Approved Brokers ordinarily rely on natural market order flow to facilitate trades. These Approved Brokers may utilize electronic crossing networks for Kiltarn's Clients' transactions if and when appropriate.
- ***Program Trade Arrangements.*** To facilitate subscriptions into and redemptions from a commingled fund and to minimize liquidity risks to the commingled fund in question, Kiltarn may utilize program trades. Program trades involve directing an Approved Broker to trade a large number of securities at a specific point in the day (for example, at market open or close) or over the course of part or all of the trading day.

- *“Traditional” Broker Arrangements.* Kiltearn may execute a transaction on behalf of Clients with an Approved Broker where the Approved Broker acts in the capacity of principal or riskless principal. An Approved Broker may also be used to execute a transaction when, for example, the Approved Broker possesses special or unique knowledge of an issuer, industry or sector, where they act as **“house broker”** (i.e., to facilitate share buybacks), or can trade larger blocks of securities and may take positions “at risk”.
- *“CSA” Transactions.* Kiltearn has CSAs in place with all its Approved Brokers to collect Soft Dollar Commissions. After being collected alongside commissions paid to its Approved Brokers for the execution of transactions, the Soft Dollar Commissions are swept to and aggregated in a ring-fenced CSA aggregation account (**“CSAAA”**) maintained by one of Kiltearn’s Approved Brokers. On a bi-annual basis, Kiltearn instructs the broker that maintains the CSAAA to make payments from the CSAAA to the research and research-related service providers for services provided to Kiltearn in the prior six (6) months.
- *Internal Cross Transactions.* Subject to the Employee Retirement Income Security Act (**“ERISA”**) or other applicable laws to reduce transaction costs, rebalance investment portfolios or for other reasons, Kiltearn may cause a Client account to enter into cross transactions directly with other Client accounts for which Kiltearn also acts as the discretionary investment manager. This normally occurs where inflows into one Client account coincide with outflows from other Client accounts for which Kiltearn also acts as a discretionary investment manager. In the event that Kiltearn causes one (1) Client to purchase securities from or sell securities to another Client, Kiltearn will use its best efforts to mitigate potential conflicts of interest by causing such transaction to ordinarily occur at the then prevailing market price of the applicable securities and by considering the interests of all Clients that are parties to the transaction. Kiltearn will normally use brokers to facilitate these cross transactions. Kiltearn will provide a Unitholder or separate account client with a summary of crossing activities on a quarterly basis on written request.

Kiltearn does not participate in commission recapture or directed brokerage arrangements and Unitholders and separate account clients are not permitted to direct Kiltearn to use or allocate commissions from any broker.

Kiltearn does not share, directly or indirectly, in any of the revenues generated by brokerage transactions. The rate of commission will vary dependent on the type of brokerage arrangement being used to execute a transaction on behalf of Kiltearn’s Clients. Rates of commission may also reflect different commission schedules in effect in different global markets. Commission rates are generally subject to periodic reappraisal and careful monitoring and renegotiation to ensure that they remain competitive.

Monitoring Approved Broker Performance

Kiltearn monitors the firm’s Approved Brokers and the execution services they provide, on an ongoing basis, to ensure that their performance is consistent with the duty of “best execution”. Kiltearn receives transaction cost analysis (**“TCA”**) from Markit, an independent provider of equity security trading analysis, on a daily basis. The TCA analysis includes a number of performance metrics for all securities traded during the relevant trading day. The TCA analysis is reviewed by Kiltearn and where it believes that the price achieved by an Approved Broker in relation to a transaction or number of transactions was outside an acceptable level of tolerance, the issue will be raised with the Approved Broker. In turn, the Approved Broker will be required to provide a satisfactory explanation for the divergence from tolerance and where no explanation that Kiltearn deems satisfactory is offered, it will

be required to take corrective action in relation to the trade(s) in question. As noted above, in the event that Kiltearn deems that the issue is of a significant magnitude, Kiltearn will likely suspend the Approved Broker until it is satisfied suitable action has been taken to correct the issue at hand.

Soft Dollar Considerations:

It is Kiltearn's policy, consistent with the obligation to seek the most favorable combination of price and quality of execution, to effect transactions from time to time with its Approver Brokers to raise a budgeted value of Soft Dollar Commissions to pay for research and research-related services provided by third (3rd) party providers directly or indirectly to Kiltearn. The budgeted value is set by Kiltearn on an annual basis and covers all Funds and separate account clients' portfolios as they all have substantially similar investment objectives and strategies.

For the 2017 calendar year, Kiltearn's third (3rd) party research budget is approximately U.S. \$1.86 million, inclusive of applicable taxes. Each separate account client and Fund will bear a proportionate share of the research budget, based on the size of its assets relative to the total assets in all commingled funds and separate accounts for which Kiltearn acts as a discretionary investment manager, throughout 2017. For illustrative purposes, it is worth noting that:

- the US Fund's assets accounted for US\$ 7.4 billion of Kiltearn's US\$ 11.4 billion assets under management, equating to approximately sixty-five percent (65%) of Kiltearn's assets under management, at March 31, 2017. If this percentage remains materially unchanged throughout 2017, the US Fund will pay approximately U.S. \$1.21 million in broker commissions to remunerate third (3rd) party providers of research and research-related services;
- the SRI Fund's assets accounted for US\$ 0.6 billion of Kiltearn's US\$ 11.4 billion assets under management, equating to approximately five percent (5%) of Kiltearn's assets under management, at March 31, 2017. If this percentage remains materially unchanged throughout 2017, the SRI Fund will pay approximately U.S. \$0.09 million in broker commissions to remunerate third (3rd) party providers of research and research-related services;
- the Irish Fund's assets accounted for US\$ 1.7 billion of Kiltearn's US\$ 11.4 billion assets under management, equating to approximately fifteen percent (15%) of Kiltearn's assets under management, at March 31, 2017. If this percentage remains materially unchanged throughout 2017, the Irish Fund will pay approximately U.S. \$0.28 million in broker commissions to remunerate third (3rd) party providers of research and research-related services; and
- the separate accounts' collective assets accounted for US\$ 1.6 billion of Kiltearn's US\$ 11.4 billion assets under management, equating to approximately fourteen percent (14%) of Kiltearn's assets under management, at March 31, 2017. If this percentage remains materially unchanged throughout 2017, the separate account clients will, in aggregate, pay approximately U.S. \$0.26 million in broker commissions to remunerate third (3rd) party providers of research and research-related services.

It is worth noting that the percentages stated above may fluctuate significantly throughout 2017, due to inflows into and outflows from the Funds and the separate accounts, and consequently the Funds and separate account clients may pay significantly more or less than the figures stated above throughout 2017 to remunerate third (3rd) party providers of research and research-related services.

Kiltearn may pay Soft Dollar Commissions to remunerate third (3rd) party providers of research and research-related services collected via CSAs maintained by its Approved Brokers so long as the use and operation of the CSAs complies with applicable regulations. The type of "soft dollar" benefits

received by Kiltern from third (3rd) party providers is limited to research and research related services that fall within the so-called “**safe harbor**” provisions of Section 28(e) of the U.S. Securities Exchange Act of 1934 and the so-called “**permitted research**” exemptions established by the FCA in the U.K. governing the receipt of research and execution services in exchange for commissions paid to or collected by brokers. Kiltern believes that the amount of commissions paid to third (3rd) parties providing it with research and research-related services is reasonable in relation to the value of the research and research-related services provided by the third (3rd) parties, viewed in terms of a particular transaction or Kiltern’s overall responsibilities to its Clients and Unitholders. Kiltern regularly assesses both the quality of the research and research-related services and the extent to which the research and research-related services aid its investment process.

As noted above, as of March 31, 2017, Kiltern has CSAs in place with all six (6) of its Approved Brokers to collect commissions to remunerate third (3rd) party providers of research and research-related services. After being collected alongside commissions paid to its Approved Brokers for the execution of trades via CSAs, the Soft Dollar Commissions are swept to and aggregated in a ring-fenced CSAAA maintained by one (1) of Kiltern’s Approved Brokers. On a bi-annual basis, Kiltern instructs the Approved Broker that maintains the CSAAA to make payments to the research and research-related service providers for services provided to Kiltern in the previous six (6) months. When MiFID II takes effect, which is expected occur in the U.K. on January 3, 2018, the CSAAA will be replaced by a research payment account.

Reporting

In the U.K., the FCA requires all investment managers to provide clients and investors in commingled funds with detailed information on the sources and uses of client commissions. This report is provided to Unitholders on a quarterly basis and states both the year-to-date value and the proportion of commissions used to pay for the execution of trades as well as research and research-related services across all Kiltern’s Clients’ portfolios. Kiltern provides separate account clients with commission reports relating to their own accounts as frequently as has been agreed by Kiltern and the separate account clients. Commission rates will vary from year-to-year depending on investment activity. This information is also available on request.

Trading Spot Foreign Exchange Contracts:

Kiltern buys and sells securities and, subject to Clients’ Investment Guidelines, other assets for Clients on various stock exchanges around the world. This trading activity gives rise to settlement obligations in foreign currencies. Clients also receive interest and dividend income in foreign currencies. For non-restricted currencies, Kiltern has asked Northern Trust to convert interest and/or dividend income into the Funds’ default currency (USD as at March 31, 2017) at the WM Reuters 8:00AM (London) rate upon on (i) pay date, in relation to markets where Kiltern has negotiated to use contractual settlement, and (ii) on the day of receipt, in the case of other markets. Northern Trust receives a basis point spread on these Spot Foreign Exchange Contracts for providing this service.

Other Spot Foreign Exchange Contracts, which are normally as a result of equity trading, are executed on behalf of the Funds: (i) for certain highly liquid non-restricted currencies, using a trading algorithm developed by Northern Trust, which looks at the spot rates offered by a panel consisting of some of the largest foreign exchange dealers, exchanges and liquidity providers in the world, to obtain rates at which to execute, subject to depth of liquidity, validity of quotes and anti-gaming constraints, Spot Foreign Exchange Contracts on a “best bid, best offer” basis; (ii) for non-restricted currencies in certain circumstances, through direct negotiations between Kiltern and Northern Trust’s foreign exchange desk; and (iii) for restricted currencies and non-restricted currencies, in certain circumstances, by Northern Trust pursuant to standing instructions.

The Foreign Exchange Panel and Trading Algorithm

In January 2017, Kiltarn began trading foreign exchange for certain highly liquid non-restricted currencies electronically using an algorithm developed by Northern Trust. Pursuant to an agreement between Kiltarn and Northern Trust, following the receipt of notice via Northern Trust's web trade services portal that an equity transaction for a Fund or participating separate client account has been confirmed by an Approved Broker, Northern Trust's investment operations outsourcing unit will place a Spot Foreign Exchange Contract order with Northern Trust's foreign exchange dealing desk on behalf of the relevant Fund or participating separate client account. So long as this notification is received fifteen (15) minutes before a relevant fixing point and barring a "force majeure" event, Northern Trust has agreed to use the algorithm to obtain a rate to execute the Spot Foreign Exchange Contract on a "best bid, best offer" basis, subject to depth of liquidity, validity of quotes and anti-gaming constraints. Broadly speaking, the algorithm looks at the spot rates offered by a panel consisting of some of the largest foreign exchange dealers, exchanges and liquidity providers in the world. Although Northern Trust is legally operating as a matched principal, Kiltarn has attempted to replicate the agency relationship that has been put in place with certain equity brokers for many years.

Kiltarn expects that the counterparties included in the foreign exchange trading panel will normally account for at least fifty percent (50%) of the estimated average global daily volume of foreign exchange traded against various currency pairs. Kiltarn hopes that the spread of counterparties will provide for competitive pricing and the creation of a transparent foreign exchange market in which Kiltarn will operate. Northern Trust remains the legal counterparty for all the Funds and participating separate account clients' Spot Foreign Exchange Contracts executed in this manner and Northern Trust bears the financial risk of settlement if one of the members of the panel fails to meet their obligations. Northern Trust provides Kiltarn with TCA reporting for each of these Spot Foreign Exchange Contracts. Kiltarn has also asked FX Transparency, a large independent provider of foreign exchange analysis, to provide TCA reporting to act as a check and balance against the figures reported by Northern Trust. TCA reporting assists Kiltarn in monitoring the performance of the algorithm and also the quality of quotes received from the panel's participants. Northern Trust receives an agreed upon fee, by way of a spread, from the relevant Fund or participating separate account client on each relevant Spot Foreign Exchange Contract in exchange for Northern Trust developing, maintaining, monitoring and enhancing the foreign exchange algorithm, operating the foreign exchange panel, providing balance sheet support to the Funds and participating separate account clients' Spot Foreign Exchange Contract trading, bearing the counterparty risks of trading with panel participants and providing the TCA reporting. Northern Trust has agreed not to charge any other mark-up or administrative charge to the Funds and participating separate account clients with respect to Spot Foreign Exchange Contracts executed using its foreign exchange trading algorithm.

The algorithmic trading environment and foreign exchange panel does not currently impact how Kiltarn trades restricted currencies for the Funds because restricted currencies must ordinarily be traded directly with Northern Trust's local subagents. Kiltarn is hopeful that these currencies can be traded, over time, using the new process.

Direct Negotiations

Other Spot Foreign Exchange Contracts for non-restricted currencies, including for foreign currencies that are insufficiently liquid to be executed via the foreign exchange trading algorithm, may be executed through direct negotiations between Kiltarn and Northern Trust's foreign exchange desk. Northern Trust acts in a principal capacity for these transactions and may profit from them. Kiltarn has asked the Northern Trust to demonstrate that these transactions have been executed at rates that are substantially similar to those quoted by other counterparties at the time of execution.

Restricted Currencies

Restrictions exist in some countries that prohibit Spot Foreign Exchange Contract trading outside of exchange trading hours. In these cases, Northern Trust will trade Spot Foreign Exchange Contracts directly during market hours with their counterparty. Additionally, some markets impose “pre-funding” requirements on Spot Foreign Exchange Contracts. This means that the Funds must hold sufficient local currency before buying underlying equity securities. Prior to distributing a “buy order”, Kiltarn asks Northern Trust to execute Spot Foreign Exchange Contracts for the Funds during the next market trading session pursuant to standing instructions. In both cases, Northern Trust notifies Kiltarn of the rate that Funds will receive, the time of the Spot Foreign Exchange Contract(s) were executed and other market data. Northern Trust receives a spread from each Fund in exchange for Northern Trust facilitating these transactions. Northern Trust has agreed not to charge any further mark-up or administrative charge to Funds with respect to these Spot Foreign Exchange Contracts.

Delays may occur in the execution of Spot Foreign Exchange Contracts if, for example, the underlying security transaction is not matched, underlying market or matching procedures are not completed or if settlement has not taken place before relevant cut-off times established by Northern Trust, a sub custodian, counterparty or market participant. This could lead to additional foreign exchange exposure and losses to the Funds.

Separate account clients name their own custodians and consequently Spot Foreign Exchange Contracts may be traded on their behalf in a materially different manner to those traded on behalf of the Funds.

Allocation of Investment Opportunities:

Kiltarn endeavours to act in a manner that it considers fair, reasonable and equitable in allocating investment opportunities among its Clients. Subject to ERISA, other applicable laws and subject to any applicable limitations set out in the relevant Client’s governing documents or the relevant IMA, to reduce transaction costs, rebalance a Client’s portfolio or for other reasons, Kiltarn may cause a Client to enter into cross transactions with other Clients. This normally occurs where inflows into one Client coincide with outflows from other Client for which Kiltarn also acts as the discretionary investment manager. In the event that Kiltarn causes a Client to purchase securities from or sell securities to such other Clients, Kiltarn will aim to mitigate potential conflicts of interest by causing such transaction to ordinarily occur at the then prevailing market price of the applicable securities and by considering the interests of all Clients that are parties to the transaction.

When Kiltarn determines that it would be appropriate for more than one (1) Client to participate in an investment opportunity (ordinarily, the opportunity to invest in publicly-listed securities of an issuer or similar instrument up to a particular weighting in the respective Clients’ portfolios), Kiltarn seeks to execute orders for all of the participating Clients on an equitable basis. If Kiltarn is looking to cause more than one (1) Client to participate in the same investment opportunity at the same time, Kiltarn may place combined orders for all such Clients simultaneously and, if any order is not filled at the same price, Kiltarn will average the prices paid. Similarly, if there is an order on behalf of more than one (1) Client to participate in the same investment opportunity and the order cannot be fully executed under prevailing market conditions, Kiltarn may allocate the instruments traded among the different participating Clients on a basis that Kiltarn considers equitable. This is normally achieved by pro-rating actual trade executions among participating Clients in accordance with the total number of shares outstanding on each among participating Client’s respective order and rounding such executions to reflect minimum trading sizes, minimum allocations necessary to avoid undue costs being realized by the participating Clients (such as transaction and foreign exchange costs resulting

from smaller allocations) and efficiencies inherent in trade reporting. Where Kiltearn elects to participate in initial public offerings or secondary offerings, governmental privatisations or other similar events, all allocations are done on a strict pro rata basis taking into account minimum trading sizes and other regulatory restrictions. Situations may occur where a Client could be disadvantaged because of the investment activities conducted by Kiltearn for other Clients.

Kiltearn anticipates that the substantial majority of its trade executions will be allocated between participating Clients in a pro-rata manner. In circumstances where Kiltearn determines that this pro rata allocation methodology may not be in a participating Client's best interest, Kiltearn may, in its reasonable discretion, make an adjustment to the pro-rata allocation. This may occur when a participating Client has insufficient cash on hand to settle an allocated order or satisfy certain future commitments. This may also occur if a participating Client will be overdrawn as a result of accepting a commitment to purchase the allocated securities. In these situations, Kiltearn will use its reasonable judgment to determine whether a participating Client should receive no allocation or a smaller allocation of shares resulting from a given execution. In other situations, a larger allocation of shares may be made to a participating Client if, for example, an additional allocation is required to clear a participating Client's negative cash balances or to raise funds to satisfy a participating Client's future commitments.

Item 13. Review of Accounts

Reviews and Reviewers:

All investments made on behalf of Clients are kept under daily review both for price and changes in fundamentals affecting the securities. All portfolios are reviewed weekly. The principal reviewers are Murdoch Murchison, Craig Watson, Craig Collins and Khaled Mohamed. All reviewers are equally responsible for ensuring that Clients' portfolios are maintained in line with Kiltearn's policies and are equally responsible for all Clients' portfolios.

Frequency of Regular Reports to Clients:

Investors in Transition Accounts and security holding accounts generally receive a monthly valuation for their portfolios. Each Fund's administrator provides each Unitholder in the Fund with a monthly valuation report showing the market value of its Units and selected performance data. This report is ordinarily provided on or before the third (3rd) Business Day of each calendar month. Unitholders are also provided a copy of the audited financial statements for the Fund they are invested in on an annual basis. On a monthly basis, Kiltearn provides a written review directly that may describe the economic and financial background, the strategy adopted, the results achieved and Kiltearn's outlook for the future, together with certain analytical information describing holdings, amongst other items.

Separate account clients receive the reports specified in their IMAs.

Item 14. Client and Unitholder Referrals and Other Compensation

Kiltearn does not receive any compensation or other economic benefit from any persons or firms for providing investment management services beyond the investment management fee described above. Kiltearn does not compensate any persons for referrals. As a result, this item is not applicable.

Item 15. Custody Considerations

Northern Trust acts as the custodial trustee for the US Fund and SRI Fund and the global sub-custodian for the Irish Fund. Northern Trust also acts as the fund administrator for the Funds. Unlike most privately offered collective investment funds, which generally are organised as limited partnerships or

limited liability companies, the US Fund and the SRI Fund are organised as Delaware statutory trusts. This type of fund calls for a specific custodial trustee and Delaware trustee to be appointed. With respect to the US Fund and the SRI Fund, Northern Trust has been appointed as custodial trustee and an indirect wholly owned subsidiary of Northern Trust has been appointed as Delaware trustee. The Irish Fund is legally structured as an Irish unit trust and is regulated as a UCITS (Undertaking for Collective Investment in Transferable Securities).

Kiltearn does not act as custodian for or hold any Client's securities, cash or other assets. Northern Trust is solely responsible for the custody and safekeeping of the Funds' securities, cash or other assets, performs certain administrative functions for the Funds at the direction of Kiltearn in accordance with each Fund's governing documents and provides certain recordkeeping and accounting services to the Funds, including the calculation of the Net Asset Value of the Funds and its Units on a monthly (or more frequent) basis and the provision of monthly valuation reports directly to Unitholders. Kiltearn pays Northern Trust's fees related to these services. As noted above, Northern Trust acts as the principal counterparty to the Funds' Spot Foreign Exchange Contracts and provides certain foreign exchange calculation and trade services in accordance with various agreements with Kiltearn.

Valuation of the Funds:

Northern Trust acts as the custodial trustee for the US Fund and SRI Fund and the global sub-custodian for the Irish Fund. Northern Trust also acts as the fund administrator for the Funds. In its capacity as fund administrator, Northern Trust is responsible for independently valuing each Fund's assets. Equity securities are valued using the closing price reported by their primary stock exchange and translated into USD using exchange rates provided by WM/Reuters. These are the same prices and exchange rates used by major market indices such as MSCI for valuing (among others) the MSCI ACWI (All Countries World Index) Index. Dividend and withholding tax accruals are valued at fair market value.

The Net Asset Value (as defined below) of the Funds and the calculation of the Net Asset Value of each unit of the Funds are determined in U.S. Dollars by Northern Trust, as of the last business day of each month. Kiltearn may require Northern Trust to value the Funds more frequently.

For these purposes, the **"Net Asset Value"** of a Fund equals the aggregate value of the assets of the Fund, less its accrued liabilities (irrespective of whether such liabilities may in fact ever be paid), determined by Northern Trust in good faith accordance with the Fund's valuation rules and such other procedures as Northern Trust may establish from time to time with Kiltearn's consent. The Net Asset Value of a Fund is determined under the accrual method of accounting in accordance with U.S. GAAP.

The Net Asset Value of any Units held by a Unitholder as of a valuation date are equal to the Net Asset Value of the Fund as of such a given date multiplied by the number of Units held by such Unitholder, divided by the total number of Units as of the valuation date.

Northern Trust is required to independently assign valuations to portfolio investments for the purposes of determining the Net Asset Value of the Funds and the Net Asset Value of each Unit. Such valuations will be determined in accordance with each Fund's governing documents.

Securities which are listed or traded on any generally recognized securities exchange are valued at their closing price as is customarily ascertained by the respective primary exchange on which the security is traded and disseminated by quotation services such as WM/Reuters or Bloomberg or published in recognized newspapers such as *The Wall Street Journal* and the *Financial Times*. If no sale has been reported for that day or if the exchange or market herein designated for the valuation of any given asset was not open on that day, the last published sale price or the last recorded bid price,

whichever is more recent, shall be used, unless in the opinion of the value obtained does not fairly indicate the actual market value, in which case Northern Trust may rely on a value obtained from a reputable broker or investment banker as of the valuation date. Other valuation methods may also be used as provided under each Fund's governing documents.

Securities traded only in the over-the-counter market are valued at the mid-point between the closing representative bid and ask prices as reported by such securities' reporting system. Other over-the-counter securities are valued at the mid-point between the last current bid and ask prices determined in accordance with quotations obtained from a reputable broker or investment banker as of the valuation date. Notwithstanding the foregoing, Northern Trust may also use any other method of valuation which is or which becomes generally accepted practice valuing assets of collective investment vehicles or which is or becomes permitted by the Codification of Financial Reporting Policies promulgated by the SEC.

For the purposes of determining the value of the Funds' securities, Northern Trust may rely upon reports printed in any newspaper of general circulation or in any other newspaper Northern Trust deems appropriate, or in any financial periodical or industry-recognized quotation service, or in the records of any securities exchange, as sufficient evidence of sale, bid and asked prices, and over-the-counter quotations.

Other securities or assets which cannot be valued under the preceding provisions are valued on the basis of data obtained from the best available sources, including employees of Northern Trust, brokers or dealers who deal in or are familiar with the type of investment involved or other qualified appraisers including Kiltarn, or by reference to the market value of similar investments for which a market value is readily ascertainable.

Notwithstanding the foregoing, if the securities to be valued constitute a block that, in the judgment of Kiltarn, could not be liquidated in a reasonable time without depressing or inflating the market, or restrictions upon marketability exist with respect to such securities, such that they are only available to foreign investors at a premium, Kiltarn may direct Northern Trust to assign securities a different value than that calculated above; provided that such block shall not be valued at a unit value in excess of the quoted market price of such securities. The foregoing valuations also may be modified by Kiltarn, with the consent of Northern Trust, if and to the extent Kiltarn determines that the modifications are advisable to reflect other factors affecting the value of assets (see details of the 'challenge procedure' below).

Kiltarn reviews, but cannot arbitrarily override, Northern Trust's valuations. Kiltarn's reviews are carried out by its Administration group, which reports directly to the firm's Chief Operating Officer. If, following such reviews, Kiltarn believes that Northern Trust has mis-valued a given security, Northern Trust requires Kiltarn to follow an established pricing "challenge procedure" before permitting a modification to the relevant valuation. Under this challenge procedure, Kiltarn must provide evidence in writing of the discrepancy and support for its market price and/or exchange rate. Northern Trust will consider the challenge over the subsequent twenty-four (24) hour period and compare the proposed price and/or exchange rate to other independent pricing sources and its own internal valuations. If Northern Trust determines that the proposed price and/or exchange rate is more appropriate than the original price or exchange rate, Northern Trust will change the market price/exchange rate used in the valuation of each Fund's Net Asset Value. If the proposed price and/or exchange rate are not determined to be more appropriate than the original price or exchange rate, the original market price and/or exchange rate used in the valuation will stand, unless Kiltarn formally directs Northern Trust to use a different price or exchange rate. Kiltarn will notify Unitholders within ten (10) Business Days of any such overrides or directions.

Net Asset Value determinations reflect the deduction of all accrued debt and liabilities of a Fund, as the case may be, including any contingencies for which reserves are determined to be required by Kiltearn, in its sole discretion.

Prospective investors and Unitholders should be aware that situations involving uncertainties as to the valuation of portfolio positions could have an adverse effect on a Fund's Net Asset Value if Northern Trust or Kiltearn's judgments regarding appropriate valuations should prove incorrect.

Northern Trust may request that Kiltearn certifies the value of any securities or other property held in a Fund. Any such certification shall be regarded as a direction with regard to such valuation and shall be conclusive with respect to the valuation of the assets involved.

When approved, Northern Trust is responsible for preparing Unitholders' monthly valuation reports. As with the Funds' valuations, Kiltearn reviews and approves the reports prior to the reports being provided to Unitholders. Once approved, the reports are provided directly by Northern Trust to Unitholders. Kiltearn does not have any opportunity to 'alter' or 'adjust' Unitholders' valuations.

Separate accounts clients generally name their own custodians. Their custodians may use a different method of valuation.

A third (3rd) party, Institutional Shareholder Services ("**ISS**"), and Northern Trust monitor and give Kiltearn notice of class and group action claims in which Kiltearn's Funds may be entitled to participate. Where Kiltearn believes that it is in the best interests of the Funds, Kiltearn will work with ISS and/or Northern Trust to cause the Funds to join such actions. ISS is remunerated directly by Kiltearn for the class and group action monitoring and filing services it provides to Kiltearn.

Kiltearn will pursue claims on behalf of a separate account client if: (i) Kiltearn is explicitly required to pursue such claims under the client's IMA; and (ii) Kiltearn believes pursuing such claims is in the separate account client's best interest.

Kiltearn would not ordinarily expect to take the lead in an action by directly engaging counsel to pursue a class or group action claim on behalf of its Clients.

Kiltearn will consider a variety of factors when determining whether it is in the best interests of Clients to pursue claims on their behalf. These include, but are not limited to: (i) the strength of the claim; (ii) the viability of the proposed action for the funding party; (iii) the likelihood of the proposed action succeeding; (iv) whether securities in the issuer are currently held in the portfolios managed by Kiltearn on behalf of Clients; (v) if securities in the issuers are still held in the portfolios managed by Kiltearn on behalf of Clients, the possible impact on the defendant issuer – for example, the potential distraction to management; (vi) the identity, experience and financial stability of the party funding the proposed action; (vii) the identity and experience of counsel being retained by the party funding the proposed action; (viii) the level of adverse costs risk in the jurisdiction where the action is being brought; (ix) if a funder's indemnity is being provided, the identity and financial stability of the party providing the indemnity; (x) whether After the Event ("**ATE**") insurance has been purchased; (xi) the level of ATE insurance purchased; (xii) the fees and out-of-pocket expenses that Clients will be required to cover; (xiii) the funder's willingness to negotiate in relation to its fees; (xiv) the sizes of the losses that may potentially be recovered by Clients; (xv) the terms of the funder's agreement and the funder's willingness to negotiate in relation to those terms; (xvi) the possible impact on Kiltearn's investment program – for example, the potential distraction to Kiltearn's investment managers; and

(xvii) given that Kiltearn's investment program is a value program, the legal definition of 'reliance' in the jurisdiction where the action is being brought.

Item 16. Investment Discretion

Kiltearn accepts discretionary authority to manage securities accounts on behalf of its Clients, as provided in the subscription agreements it enters into with Unitholders and IMAs it has entered with separate account clients. Other than as specified by a Fund's Investment Guidelines or pursuant to the terms of a separate account IMA, Kiltearn has sole authority to determine, without obtaining consent from relevant Unitholders or the relevant separate account client, the specific securities and the quantity of those securities to be bought and sold for each Client.

Error Correction Considerations:

On rare occasions, an error may be made with respect to a Client transaction. For example, a security or other financial instrument (such as a Spot Foreign Exchange Contract) may be erroneously purchased or sold, a Client account's Investment Guidelines may be inadvertently breached, or a security may be tendered in error as part of a corporate action. When it bears legal responsibility for correcting the error, and subject to limitation on liability set out in the relevant Client's governing documents or the relevant IMA, Kiltearn generally seeks to place the Client in a substantially similar position as the Client would have been in had the error not occurred. In certain circumstances, Kiltearn may be required to obtain the consent of its insurers, regulators (which may include, but are not limited to, the FCA, the SEC, the Central Bank of Ireland and the U.S. Department of Labor), and/or independent fiduciaries acting on behalf of its Clients or its Clients before resolving an error. Obtaining these consents or correcting the error may result in, among other items, delays in placing the Client in a substantially similar position as it would have been in had the error not occurred, or the payment of compensatory amounts (these payments may be paid over a period of years if Kiltearn has insufficient funds available to reimburse the impacted Clients), and/or the suspension of the calculation of a Client's Net Asset Value.

Item 17. Voting Client Securities

Kiltearn considers it to be of paramount importance when assessing proxy voting responsibilities on behalf of its Clients to recognize the fiduciary responsibility it assumes in acting as investment manager. Kiltearn also recognizes the need to exercise its proxy voting obligations with a view to enhancing its Clients' long-term investment values. Kiltearn believes that both are generally compatible with good corporate governance as they provide the best operating environment for each underlying portfolio issuer to cope with competitive commercial pressures. It is Kiltearn's policy, subject to the considerations described below, to use its best efforts to vote proxies arising on all securities held on behalf of its Clients.

Standard issues typically arise at Annual General Meetings ("AGMs") or Ordinary General Meetings ("OGMs"). Standard issues may include items of a routine nature such as the presentation of financial statements to shareholders, approval of routine executive compensation or incentive plans, approval of financial statements by shareholders, election of directors and approval of director's fees, election of auditors and approval of audit fees, and declaration of dividends.

Material issues may arise at Extraordinary General Meetings ("EGMs"), Special General Meetings ("SGMs"), OGMs or AGMs. Material issues may include: (i) items that relate to corporate governance matters; (ii) changes in an issuer's country of incorporation; (iii) mergers and other corporate restructurings; (iv) anti-takeover provisions, such as staggered boards, poison pills, or supermajority provisions; (v) changes to capital structures, including increases and decreases of capital and preferred

stock issuance; (vi) material stock option, management compensation or incentive plan issues; and (vii) social and corporate responsibility considerations. Kiltarn also considers standard issues to be material issues when it has knowledge that a potential conflict of interest with management is present. These situations can arise where a portfolio issuer's U.S. retirement plan assets are invested in one (1) of Kiltarn's Funds, a portfolio issuer or one (1) of its affiliated entities is also a brokerage counterparty to a Client security or foreign currency transactions, or where the person responsible for overseeing investments at a separate account client or a Unitholder is also a director or officer of a portfolio issuer that would materially benefit from any executive compensation or incentive scheme subject to shareholder vote. Kiltarn may not be aware of the roles performed for current and/or potential portfolio issuers by separate account clients, Unitholders, Unitholders' underlying beneficial owners or Unitholders' authorised signatories. Separate account clients and Unitholders are asked to notify Kiltarn of any known affiliations with publicly-traded issuers that could fall within Kiltarn's investment universe as part of the subscription process for its Funds as well as separate account clients' IMAs. As part of this, Kiltarn asks to be notified of any active involvements in the financial services industry or affiliation with or employment by an investment bank, broker, custodian or asset management firm.

Northern Trust acts as the custodial trustee for the US Fund and the SRI Fund and the global sub-custodian for the Irish Fund and holds all securities, cash and other assets owned by the Funds for the benefit of their Unitholders. Northern Trust has outsourced certain of its proxy processing responsibilities to Broadridge, a leading provider of proxy voting services. Broadridge provides ballot information to ISS' Proxy Exchange platform. ISS is also a leading provider of proxy voting services. ISS provides Kiltarn with meeting notification and ballot delivery services, agenda summaries, detailed agenda content (including original source documents), translation services, recordkeeping and custom reports, and vote instruction processing services. Kiltarn does not outsource any part of its proxy voting decision making process to ISS, Broadridge or Northern Trust.

Separate accounts clients generally name their own custodians who may use a different provider of proxy processing services.

Following receipt of proxy voting materials from ISS, Kiltarn's administration group collates a "**Proxy Voting Summary File**" and prepares a simplified voting ballot. The File includes the details of the number of securities held by a Client, the deadline for the response and other information that may be of interest. If only standard issues are included on the proxy, one (1) authorised person will decide on how to vote the proxy and notify Kiltarn's administration group of the decision. If material issues are included, enhanced procedures apply. The issue will be discussed with two (2) or more authorised personnel and they will assess the potential impact that the issues may have on the portfolio issuer, and decide on how to vote the proxy in question. The proxy voting ballot will then be approved and the proxy vote processed.

In certain circumstances, Kiltarn may be unable to vote a specific proxy for the Clients' portfolios including, but not limited to, when Northern Trust or the third party service provider does not provide a voting service in a given market, because Northern Trust or its agent, in error, does not process a proxy or provide sufficient notice of a vote, or because an error is committed by any party involved in the proxy voting or registration process. Kiltarn may also refrain from voting for the Clients' portfolios if, for example, it is considering liquidating a position, share blocking is a consideration, where the costs of voting a specific proxy outweigh the economic benefit that Kiltarn believes would be derived, where a specific securities or equity instrument does not carry voting rights with respect to a given issue subject to shareholder vote, or where re-registration of the securities into the Client's, rather than Northern Trust's nominee's, name may, or may reasonably be expected to, result in a violation of local privacy laws or adversely impact the Client's economic interests.

Separate accounts clients generally name their own custodians who may have different proxy voting processes and limitations in relation to those processes.

Unitholders and separate account clients are advised that when voting proxies in certain markets, Kiltarn may be constrained by certain country or portfolio issuer specific issues. For example, some issuers in the Clients' portfolios impose voting caps on the maximum number of proxy votes that any single outside shareholder may control. Others require all board issues to be resolved by a show of hands, rather than a poll. As all securities may be held by one (1) nominee, these restrictions have the effect of substantially limiting the impact of any proxies cast. Furthermore, some issuers in the Clients' portfolios may restrict Kiltarn from voting proxies where disclosures of holdings or securities under their control have not been made on a timely basis or in a format required under their articles of incorporation.

Additional information on Kiltarn's proxy voting and corporate governance policies can be found in the Stewardship Code Statement on Kiltarn's website (www.kiltarnpartners.com). Separate account clients and Unitholders may receive a quarterly summary of proxies voted or not voted and issues raised at meetings held by portfolio issuers, by contacting Kiltarn's Chief Operating Officer and asking to be included on the quarterly proxy voting summary list. The Chief Operating Officer's contact details are shown on the opening page of this document.

Kiltarn does not provide other third (3rd) parties with information on how it has voted proxies. Kiltarn does not subject its proxy voting systems and/or procedures to review by its auditors or any independent third (3rd) parties. Kiltarn believes this to be unnecessary given the simplicity of Kiltarn's business structure and the sophistication of its separate account clients and Unitholders.

Kiltarn exercises its proxy voting obligations on behalf of separate account clients in accordance with their IMAs.

Item 18. Financial information

Kiltarn does not require or solicit the prepayment of fees and so this item is not applicable.

Kiltearn Partners LLP

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May 26, 2017

Form ADV Part 2B Brochure Supplement

This brochure supplement provides information on our personnel listed below and supplements Form ADV Part 2A. Please contact Kiltearn's client services representative if you are a Unitholder or separate account client and you did not receive Kiltearn's Form ADV Part 2A or there is any questions about the contents of this brochure supplement.

A summary of the education and the last ten years of the business background of Kiltearn's partners and other members of senior management are set out below. Additional information is available from Kiltearn's Chief Compliance Officer and/or Kiltearn's client services representative, details of which are shown elsewhere in this Form ADV Part 2. Additional information is available on the SEC's website at www.adviserinfo@sec.gov.

Murdoch R. Murchison

Craig R. Watson

Craig M. Collins

Khaled Mohamed

Edward G. Clarke

Stuart Gunderson

Timothy J. Linehan

Name:	Murdoch Ross Murchison
Date of Birth:	1965
Education and Degree:	<p>(1) University of Glasgow, U.K. Diploma of Legal Practice</p> <p>(2) University of Edinburgh, U.K. Bachelor of Law with Honours</p>
Business Background:	<p>Kiltearn Partners LLP; 2011 to present Chief Investment Officer Member of Supervisory Group Partner</p> <p>Kiltearn Limited; 2011 to present Chairman, Director</p> <p>Franklin Templeton; 1993 to 2007 President, Portfolio Manager</p>
Disciplinary Information:	No disciplinary information to disclose.
Other Business Activities:	None
Additional Compensation:	No additional economic benefit received from third parties for providing advisory services.
Supervision:	Supervised by Kiltearn's Supervisory Group.

Name:	Craig Robert Watson
Date of Birth:	1969
Education and Degree:	<p>(1) University of Stirling, U.K. MSc. Investment Analysis (with distinction)</p> <p>(2) Robert Gordon University, U.K. B.A. (Honours) Business Studies</p>
Business Background:	<p>Kiltearn Partners LLP; 2011 to present Investment Manager Partner</p> <p>Franklin Templeton; 2007 to 2011</p> <p>JP Morgan; 2003 to 2007</p>
Disciplinary Information:	No disciplinary information to disclose.
Other Business Activities:	None
Additional Compensation:	No additional economic benefit received from third parties for providing advisory services.

Supervision: Supervised by Kiltearn's Supervisory Group.

Name: Craig McColl Collins

Date of Birth: 1974

Education and Degree: Robinson College, University of Cambridge, U.K.
Ph.D. in Chemistry

Business Background: Kiltearn Partners LLP; 2011 to present
Investment Manager
Partner

Baillie Gifford; 2000 to 2011

Disciplinary Information: No disciplinary information to disclose.

Other Business Activities: None

Additional Compensation: No additional economic benefit received from third parties for providing advisory services.

Supervision: Supervised by Kiltearn's Supervisory Group.

Name: Khaled Mohamed

Date of Birth: 1983

Education and Degree: Downing College, University of Cambridge, U.K.
MA Classics

Business Background: Kiltearn Partners LLP; 2011 to present
Investment Manager
Partner

Baillie Gifford; 2007 to 2011

Disciplinary Information: No disciplinary information to disclose.

Other Business Activities: None

Additional Compensation: No additional economic benefit received from third parties for providing advisory services.

Supervision: Supervised by Kiltearn's Supervisory Group.

Name: Edward Gerard Clarke

Date of Birth: 1965

Education and Degree: Pennsylvania State University, USA
Bachelor of Science degree in Finance

Business Background: Kiltearn Partners LLP; 2011 to present
Head of Marketing and Client Service

Causeway Capital Management; 2001 to 2011

Disciplinary Information: No disciplinary information to disclose.

Other Business Activities: None

Additional Compensation: No additional economic benefit received from third parties for providing advisory services.

Supervision: Supervised by Kiltearn's Supervisory Group.

Name: Stuart Gunderson
Date of Birth: 1979

Business Background: Kiltearn Partners LLP; 2011 to present
Member of Supervisory Group
Chief Operating Officer
Partner

Kiltearn Limited; 2011 to present
Director

Franklin Templeton; 2007 to 2011

Morgan Stanley; 2002 to 2007

Disciplinary Information: No disciplinary information to disclose.

Other Business Activities: None

Additional Compensation: No additional economic benefit received from third parties for providing advisory services.

Supervision: Supervised by Kiltearn's Supervisory Group.

Name: Timothy John Linehan
Date of Birth: 1970

Education and Degree: University of Notre Dame
BA in Accounting

Business Background: Silchester International Investors, Inc.

Client Services Manager / Legal and Compliance; 1997 to 2003

Silchester International Investors LLP; 2010 to present

Member of Supervisory Group

Chief Compliance Officer and Head of Operations

Senior Partner

Silchester Partners Limited; 2003 to present

Chief Compliance Officer and Head of Operations; 2003 to 2010

Director; 2011 to present

Highclere International Investors LLP; 2011 to present

Non-Executive Member of Supervisory Group

Highclere Investment Management Limited; 2006 to present

Non-Executive Director

Heronbridge Investment Management LLP; 2006 to 2014

Non-Executive Member of Supervisory Group

Heronbridge Limited; 2006 to 2014

Non-Executive Director

Sanderson Asset Management LLP; 2013 to present

Non-Executive Member of Supervisory Group

Sanderson Partners Limited; 2006 to present

Non-Executive Director

Edgbaston Investment Partners Limited; 2008 to present

Non-Executive Director

Kiltearn Partners LLP; 2011 to present

Non-Executive Member of Supervisory Group

Kiltearn Limited; 2011 to present

Non-Executive Director

Cap Ann Asset Management Limited; 2015 to present

Non-Executive Director

Disciplinary Information: No disciplinary information to disclose.

Other Business Activities: None

Additional Compensation: No additional economic benefit received from third parties for providing advisory services.

Supervision: Supervised by Kiltearn's Supervisory Group.