



## **Social Media Policy**

### **December 2024**

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### **Background**

Social media is an “umbrella term” that encompasses various activities that integrate technology, social interaction, and content creation. Social media may involve many technologies, including, but not limited to, blogs, microblogs, wikis, photos and video sharing, podcasts, social networking, and virtual worlds.

The SEC’s new Marketing Rule, with a compliance date of November 2022, provides clarity and flexibility for registered investment advisers’ use of online communications to engage with existing and prospective investors, such as by posting testimonials, endorsements, and third-party ratings on social media.

An investment adviser’s Form ADV filings must report whether the adviser has one or more accounts on social media platforms, (such as Twitter, Facebook, or LinkedIn) and the address of each of the adviser’s corporate social media pages. This disclosure requirement signals the regulator’s focus on social media activities and facilitates the regulator’s remote ability to monitor such activity.

### **Policy**

Bares Capital Management, Inc. (“BCM”, the “Firm” or the “Adviser”) permits the organization and its employees to participate in public forums and use social networking sites, subject to the guidelines and restrictions detailed below. Employees engaging social media must follow all applicable corporate and compliance policies, including those related to employment and human resources, advertising and marketing, Code of Ethics, as well as confidentiality and privacy. The Firm does impose certain restrictions on these types of activities, which are outlined below.

#### ***Permitted Social Media Sites***

BCM permits a corporate presence on social media sites such as LinkedIn and Twitter, and permits employees to create profiles and share, repost or “Like” BCM-approved information.

Use of BCM sponsored sites must be pre-approved by the CCO or designee before being published publicly. Employees may comment on BCM-generated content disclosed through permissible sites if all applicable policies and procedures are followed. Specifically, employees must avoid discussion or mention of BCM clients, portfolio companies, investment returns or market projections. Under no circumstances may employees indicate that they work for the Firm in a public forum if other information posted on that same site could cause harm to BCM’s reputation.

For purposes of this policy, “public forum” includes information that is available to the general public,

as well as information that is only available to “friends,” personal contacts, members, subscribers, or other groups of individuals.

Nothing in this section is intended to interfere with employee rights under the National Labor Relations Act. See “Additional Information” below for more information.

### ***CCO or Designee Approval***

Any information that an employee wishes to place on a social network about BCM or securities must be pre-approved by the CCO or his designee. BCM has the right to monitor social network activity of employees and therefore, employees do not have a personal privacy right with regard to any content that they create using the Firm’s information systems, computer equipment and/or Internet access. Violations of this policy will subject the employee to the Firm’s disciplinary policy.

### ***Confidentiality***

BCM holds information about BCM portfolios and clients in strict confidence. Employees should refrain from identifying an individual as being a client, publishing a full or partial investor list, or posting any nonpublic information about a client, in a public forum or on a social media site. Employees are prohibited from sharing proprietary and confidential information about the operations or investment decisions of the Firm, any BCM portfolio, any portfolio company or any prospective portfolio company in any public forum. Employees are prohibited from using, disclosing, or posting confidential investment and business performance documents related to BCM, clients, or current or prospective portfolio companies. Also, employees should not disclose BCM’s confidential internal financial information, such as future business performance, the Firm’s business plans, or prospects. Please be aware that disclosing such information may subject you to liability for insider trading or other violations of securities laws.

See “Posting and Content Guidelines” below for more information about restricted content.

### ***No Communications via Social Media Platforms***

Employees are not permitted to initiate business communications through the e-mail, in-mail, or messaging functions of any social/professional networking site when communicating information that would be required to be retained under securities laws. Records required to be retained include all communications with clients, as well as communications about the business of BCM and its portfolios. The use of “connect” features on social networking sites is permitted.

BCM recognizes that certain LinkedIn members may use the social platform’s messaging or in-mail features to contact BCM employees. To ensure that BCM retains all responses to any such messages or in-mail communications in accordance with its Books and Records policy, employees must follow these steps when using LinkedIn:

- Employees must list their BCM corporate email address as the primary email address in the LinkedIn profile. Do so by going to Settings & Privacy > Account > Basics > Email addresses.
- Go to Settings & Privacy > Communications > Basics > Email frequency and turn on all forms of communication listed on the page.

### ***Information Security***

Employees are responsible for maintaining the security of passwords used to access social media sites. Employees should not use the same password to access an external social media site that is used for internal company purposes. Software or other files downloaded from social media sites can contain viruses or cause other computer problems. In general, personal social media activity should be kept

distinct from professional social networking activity, and engagement with purely personal social media sites should be conducted from personal email accounts and personal devices only. See “Employee Reposting” below for more information.

## **Procedures and Controls**

BCM has adopted procedures to implement the Firm’s social media policy and conducts reviews to monitor and ensure that this policy is observed, implemented properly, and amended or updated, as appropriate.

### ***Posting and Content Guidelines***

BCM and its employees must follow social media content posting guidelines, as outlined below.

- Only the CCO and his designee are authorized to create BCM social media profiles and post BCM content across its sanctioned social media sites.
- The CCO and designee are designated to control BCM’s social media login credentials.
- The CCO and/or designee will ensure that requisite content and response approvals are documented and retained.
- The CCO or designee will periodically test social media compliance to confirm that content, approvals, and record retention meet policy requirements.
- BCM employees may repost corporate pre-approved content on their personal social media sites used for business, such as LinkedIn.
- Any direct press inquiries triggered by social media activity which seek to elicit an official response from BCM are to be referred to the CCO who will follow BCM’s advertising and marketing policy to ensure compliance.

### ***Employee Reposting***

Reposted approved BCM-prepared content is deemed pre-approved under this policy. Employees are required to follow BCM’s reposting instructions, and to follow all applicable compliance policies when responding to social media comments on their personal social media profile pages.

Consistent with securities laws, employees are not permitted to interact with BCM sponsored social media sites from a personal social media profile unless the personal profile meets acceptable professional standards. Professional standards imply that all other content on the personal profile meets applicable ethical standards. BCM is authorized to request that employees separate their personal and professional profiles.

### ***Recordkeeping***

The Books and Records rule (Rule 204-2(a)(7)) provides that certain written communications must be retained, including those relating to communications and advertising. All corporate social media content is subject to record retention policies. BCM retains materials and approvals either through email or separately prepared documents, including BCM’s approval of all social media posts initiated by BCM. Employee personal social media site content is not subject to record retention as long as the employee does not use such personal site to promote the advisory services of BCM. Please refer to BCM’s Book and Records policy for more information.

### ***Compliance Disclosure and Review***

The CCO or designee is responsible to ensure that appropriate disclosures are posted to all corporate social media sites. See sample disclosure at the end of this policy.

The CCO or designee is responsible to ensure that the Firm's Form ADV Part 1A discloses the web address of all active corporate social media sites. Form ADV instructions do not require the disclosure of employee personal social media sites.

The CCO or designee conducts a periodic review of advertising, marketing, and social media activity to ensure policy compliance. This review supplements the compliance pre-approval process governing the publication of new advertising, marketing, and social media content.

### ***Training and Policy Acknowledgement***

At or before a new employee's hiring, the CCO or his designee conducts a review of the employee's social media profiles to ensure policy compliance. When hired, new employees are required to sign off on this policy. Upon adoption of this policy, and at least annually thereafter, BCM will distribute this social media policy to employees. Upon receipt, each employee is responsible to acknowledge through written certification their understanding and agreement to comply with the Firm's social media policy and related procedures. In addition, BCM will conduct social media training periodically as necessary to ensure policy compliance. Any violation of BCM's social media policy will be handled in accordance with BCM's disciplinary policy.

### ***Additional Information***

No provision of this policy is intended to interfere with employee rights under the National Labor Relations Act including, but not limited to, employees' right to discuss the terms and/or conditions of their employment, or other laws protecting lawful job related activities, nor would it be interpreted or applied so as to interfere with employee rights to self-organize, form, join or assist labor organizations, to bargain collectively through representatives of their choosing, or to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection, or to refrain from engaging in such activities.

The Firm prohibits taking negative action against any employee for reporting a possible deviation from this policy or for cooperating in an investigation. Any employee who retaliates against another employee for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

### ***Questions and Concerns***

Questions about this policy should be directed to the CCO. Employees should escalate any concerns related to this policy and escalate any known or potential violations thereof to the CCO.

## **Sample Social Media Disclosure for Corporate Sites**

### Disclosures for Social Media Content

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