



**HENNESSY**  
**ADVISORS, INC.**

**NOTICE OF  
2023 ANNUAL MEETING OF SHAREHOLDERS  
AND  
PROXY STATEMENT**

**Hennessy Advisors, Inc.**

7250 Redwood Boulevard, Suite 200

Novato, California 94945

800-966-4354

[www.hennessyadvisors.com](http://www.hennessyadvisors.com)

In this proxy statement, the terms “Hennessy Advisors,” the “company,” “we,” “us,” and “our” refer to Hennessy Advisors, Inc.

This proxy statement and the enclosed proxy card are being first sent or made available to shareholders on December 20, 2022.



Dear Hennessy Advisors Shareholder:

We moved into 2022 with a strong U.S. economy as the effects of the global pandemic seemed to be diminishing, and the financial markets soared. But new trials and challenges appeared and changed the geopolitical climate and the economic picture. The conflict in the Ukraine, worldwide inflation, interest rate increases, and murmurs about a possible recession have contributed to a year marked by volatility. Because of these current challenges, I find it more important than ever to reiterate the optimism I have for the future of our nation, our communities, and our economy.

In January of this year, our financial markets were marching toward all-time highs, but that trajectory turned upside down. As I write this shareholder letter, all three major indices are down, with bleak year-to-date total returns of -3.70%, -14.30%, and -27.68% for the Dow, the S&P 500, and the Nasdaq, respectively. I feel confident that as supply chains continue to improve, and interest rates and costs of goods stabilize, consumers and investors will realize that the fundamentals of our economy are solid. Today's economy is completely different from the economy during the 2008 financial crisis where the consumer and our financial institutions were extremely over leveraged. We have the strongest labor market in half a century fueling 'quiet quitting' and a suggestion that the 'Great Resignation' is most certainly not over. There is strength in household balance sheets (approximately \$18 trillion in checking and savings accounts), continued corporate earnings and cash flow, significant demand in the travel and leisure industries, and a banking system that may be the strongest it has ever been. While I believe that volatility will remain, I also believe the table is set for a return to steady, long-term growth in the market and the economy.

### **Financial Results**

In the first quarter of fiscal year 2022, we successfully completed a public offering of \$40.25 million of notes due in 2026. The notes bear interest at 4.875% per annum, payable on the last day of each calendar quarter, and mature on December 31, 2026. Although the interest on the notes have reduced our earnings this fiscal year, we feel confident that we can put the capital to use in the future, and we believe it is advantageous to have capital locked in at a competitive rate in this environment. We also have the option to pay off all or a portion of the debt in the first quarter of fiscal year 2024 if we feel that is best for our shareholders.

Our assets under management and our earnings per share (EPS) both fell during this fiscal year, but we are pleased to announce positive fully diluted EPS of \$0.82. Additionally, and perhaps most importantly, our balance sheet continues to strengthen as we have grown our cash position to over \$58 million as of September 30, 2022. We strongly believe that strategic opportunities lie ahead, and we will continue to be diligent and conservative to create profit and long-term, sustainable growth for our shareholders.

This year marks the 20th year of Hennessy becoming a public company. In those 20 years, we are proud to have paid a dividend to our shareholders for the last 17 consecutive years. Based on a closing price of \$8.57 per share on December 6, 2022, the \$0.1375 quarterly dividend equates to a 6.4% yield on an annualized basis.

### **The Hennessy Funds**

On August 29, 2022, we signed a definitive agreement with Stance Capital and Red Gate Advisers to acquire the assets of the Stance Equity ESG Large Cap Core ETF (NYSE: STNC) (the "Stance ETF"). The Stance ETF has current assets of approximately \$44 million, and we expect to close this transaction in

December 2022. Upon completion of the transaction, the Stance ETF will be reorganized to become part of our product line-up and will be named the Hennessy Stance ESG Large Cap ETF. We are excited to welcome Stance Capital to our stable of skilled sub-advisors and to expand our product offerings into the ETF market.

During our fiscal year, the market effect on our funds was keenly felt as only three of the 16 Hennessy Funds posted positive returns for the one-year period ended September 30, 2022. However, the longer-term performance numbers remain strong, with 13 of the Hennessy Funds posting positive returns for the five-year period ended September 30, 2022, and all 14 Hennessy Funds with at least 10 years of operating history posting positive returns for the 10-year period ended September 30, 2022. We are confident that high-quality investing provides solid long-term performance.

### **Our People**

After we safely and successfully came back to the office in 2021, our team returned to a robust business travel schedule in 2022. It has been inspiring to witness the creativity and energy as we have rekindled our existing business relationships and established many new ones. Our business is built around in-person gatherings and attending industry events, and it has been energizing to see our business partners once again.

Our company and its people continue to evolve in the best possible ways, as evidenced by the establishment of an Advisory Committee to our Board of Directors in February 2022. In December 2022, our founding Advisory Committee member was appointed to the Board, and three of our founding directors transitioned to the Advisory Committee. We are extremely fortunate to be able to maintain both a talented Board and a tenured Advisory Committee to provide guidance for the changes and challenges ahead.

### **The Future**

We remain committed to growing our assets under management and continuing our search for strategic partnerships and acquisition opportunities for the benefit of our shareholders. Our dedicated management team, steadfast employees, and outstanding Board of Directors and Advisory Committee are all working collectively for you – our shareholders. On behalf of our team, thank you for your continued trust, and we look forward to embarking together on the journey of the year ahead.

If you have any questions or would like to speak with us directly, please don't hesitate to call us at (800) 966-4354.

Sincerely,



Neil J. Hennessy  
Chairman and CEO



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## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

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<b>Date and Time</b>	<b>Place</b>	<b>Record Date</b>
Thursday, February 9, 2023 6:30 p.m. Pacific time (business casual recommended)	StoneTree Golf Club 9 StoneTree Lane Novato, California 94945	December 12, 2022

### DEAR SHAREHOLDER:

The annual meeting of shareholders will be held for the following purposes:

1. to elect all director nominees named in the proxy statement;
2. to approve, by a non-binding advisory vote, the compensation of our executive officers as disclosed in the proxy statement;
3. to ratify the selection of Marcum LLP as our independent registered public accounting firm for fiscal year 2023; and
4. to transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

Our board of directors recommends a vote “FOR” proposals 1, 2, and 3.

Your vote is important, and we encourage you to vote promptly whether or not you plan to attend the annual meeting. You may vote now by internet, phone, or mail.

By Order of the Board of Directors,

Teresa M. Nilsen  
President, Chief Operating Officer, and Secretary

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to Be Held on February 9, 2023. The notice, proxy statement, annual report, and form of proxy are available at [www.hennessyadvisors.com/proxy](http://www.hennessyadvisors.com/proxy).**

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# HENNESSY ADVISORS, INC.

7250 Redwood Boulevard, Suite 200  
Novato, California 94945

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## PROXY STATEMENT FOR ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON FEBRUARY 9, 2023

This proxy statement and the enclosed proxy card are being first sent to shareholders of Hennessy Advisors on or about December 20, 2022, in connection with the solicitation by our board of directors of proxies to be used at the 2023 annual meeting of shareholders. The annual meeting will be held on Thursday, February 9, 2023, at 6:30 p.m. Pacific time, at StoneTree Golf Club, 9 StoneTree Lane, Novato, California 94945 (business casual recommended).

The board of directors has designated Neil J. Hennessy and Teresa M. Nilsen as proxy agents to vote the shares of common stock solicited on its behalf.

### VOTING INFORMATION

Each share of our common stock has one vote on each matter to come before the meeting. As of December 12, 2022, we had outstanding and entitled to vote 7,573,706 shares of common stock. Only shareholders of record (which means shares are owned in your name in an account with our transfer agent, Computershare) as of the close of business on December 12, 2022, are entitled to vote at the annual meeting. If you are a beneficial owner of shares of our common stock, meaning your shares are held in street name in an account with a broker, which may include a bank or other nominee acting as custodian on your behalf, you may instruct your broker how to vote your shares.

A quorum is required to hold a valid meeting. Holders of a majority of our outstanding common stock must be present in person or represented by proxy to constitute a quorum at the annual meeting. Abstentions and “broker non-votes” (explained below) are counted as present for purposes of determining quorum.

Whether you hold shares directly as a shareholder of record or beneficially in street name, you may vote your shares without attending the annual meeting in any of the following three ways:

- **Internet.** If you are a shareholder of record, you may vote online by visiting [www.Investorvote.com/HNNA](http://www.Investorvote.com/HNNA) and following the instructions on the website. If you are a beneficial owner, the availability and method of online voting depends on the voting procedures of your broker.
- **Phone.** If you are a shareholder of record, you may vote by phone by calling the toll-free number found on your proxy card. If you are a beneficial owner, the availability and method of phone voting depends on the voting procedures of your broker.
- **Mail.** If you are a shareholder of record, you may vote by mail by filling out the proxy card and returning it in the envelope provided. If you are a beneficial owner, the availability and method of mail voting depends on the voting procedures of your broker.

You may also vote in person at the annual meeting, although we encourage you to vote your shares now even if you plan to attend the annual meeting. **If you are a beneficial owner and want to vote your shares in person at the annual meeting, you must obtain a legal proxy and bring it to the annual meeting.** A legal proxy is a written document that authorizes you to vote your shares held in street name in connection with the annual meeting. Please contact your broker for instructions regarding obtaining a legal proxy because your broker will not automatically supply one to you.

For shareholders of record, if you choose to vote by internet, phone, or mail, then the proxy agents will vote your shares at the annual meeting in accordance with your specific voting instructions (unless your proxy is mutilated or otherwise received in such form or at such time as to render it not votable). If you submit a proxy but do not provide specific voting instructions, then the proxy agents will vote your shares in the manner recommended by the board on each proposal described in this proxy statement.

For beneficial owners, your broker must vote your shares in accordance with the specific voting instructions your broker receives from you, which may include voting by internet, phone, or mail as permitted by your broker. If you do not provide your broker with instructions on how to vote your shares, your broker will have discretionary authority to vote on your behalf on any “routine” proposals.” However, your broker may not vote your shares with respect to “non-routine” proposals unless it receives specific instructions from you. A “broker non-vote” occurs when a broker does not vote on a particular proposal because the broker does not have discretionary voting authority for that particular proposal and has not received specific instructions from the beneficial owner or otherwise does not vote. Proposals 1 and 2 – the election of directors and the advisory vote on executive compensation – are non-routine matters for which brokers do not have discretionary voting authority. **If you are a beneficial owner and do not instruct your broker how to vote with respect to these two non-routine proposals, your broker will not vote with respect to such proposals.** Proposal 3 – the ratification of the selection of Marcum LLP as the company’s independent registered public accounting firm for fiscal year 2023 – is a routine matter on which brokers have discretionary voting authority.

If you are a shareholder of record, you may change your vote or revoke your proxy at any time before the annual meeting by giving written notice to our corporate secretary, submitting a later-dated proxy, or attending the annual meeting and voting in person. If you are a beneficial owner, then you may change your vote by following the instructions provided by your broker.

Shown below is a list of the matters to be considered at the annual meeting and the vote required for election or approval, as the case may be.

<b>Matter</b>	<b>Required Vote for Election or Approval</b>	<b>Impact of Abstentions or Broker Non-Votes</b>
Proposal 1: Election of directors	Plurality of votes cast	Abstentions and broker non-votes are not counted as votes for or against and do not affect the outcome.
Proposal 2: Advisory vote on executive compensation	Affirmative vote of the majority of the shares represented at the meeting and entitled to vote	Abstentions have the same effect as votes against. Broker non-votes are not counted as votes for or against and will not affect the outcome.

<b>Matter</b>	<b>Required Vote for Election or Approval</b>	<b>Impact of Abstentions or Broker Non-Votes</b>
Proposal 3: Ratification of the selection of the independent registered public accounting firm	Affirmative vote of the majority of the shares represented at the meeting and entitled to vote	Abstentions have the same effect as votes against. We do not expect any broker non-votes because brokers have discretion to vote uninstructed shares on this proposal. In any event, broker non-votes do not affect the outcome.

*We encourage you to vote your shares now regardless of whether you plan to attend the annual meeting.*

## **PROPOSAL 1: ELECTION OF DIRECTORS**

*The board of directors recommends a vote “FOR” the election of each nominee listed below.*

At the annual meeting, 8 directors will be elected to serve for one-year terms or until their respective successors are elected and qualified. Each of our nominees is currently a director who, with the exception of Ms. Newton, was previously elected by the shareholders. Ms. Newton was recommended as a director nominee to our nominating committee by two of our executive officers, Neil J. Hennessy and Teresa M. Nilsen, and was appointed to the board of directors effective December 8, 2022. At the recommendation of the nominating committee, our board of directors has nominated each of the 8 current directors described below to stand for reelection. As part of a periodic director refreshment process, Daniel G. Libarle, Rodger Offenhach, and Daniel B. Steadman were not nominated for reelection to the Board and have transitioned to serve on our recently-formed Advisory Committee.

Each director nominee is presently available for election and has consented to being named in this proxy statement and to serve as a director if elected. In the unanticipated event that any director nominee becomes unavailable, the proxy agents may, in their discretion, vote for a substitute.

The following biographies describe the experience, qualifications, attributes, and skills of the director nominees that led the board and the nominating committee to conclude that he or she should serve as a director. In addition, we also believe that all of our director nominees have a reputation for integrity, honesty, and adherence to high ethical standards. They each have demonstrated business acumen and an ability to exercise sound judgment, as well as a commitment of service to the company and our board.

**Neil J. Hennessy** (age 66) has served as chairman of the board and chief executive officer of Hennessy Advisors since 1989 and served as president of Hennessy Advisors from 1989 to January 2018. Mr. Hennessy also serves as chairman of the board, chief market strategist, president, and portfolio manager of Hennessy Funds Trust (the trust for our mutual funds). He previously served as the chief investment officer of Hennessy Funds Trust from 1996 until 2021. Mr. Hennessy started his financial career in 1979 as a broker at Paine Webber. He subsequently moved to Hambrecht & Quist and later returned to Paine Webber. From 1987 to 1990, Mr. Hennessy served as a nominated member of the National Association of Securities Dealers, Inc.’s District 1 Business Conduct Committee. From January 1993 to January 1995, Mr. Hennessy served his elected term as chairman of the District 1 Business Conduct Committee. Mr. Hennessy earned a bachelor of business administration from the University of San Diego. Mr. Hennessy has amassed considerable business acumen in his career. Since founding the company in 1989, he has successfully navigated the company through many economic cycles. His significant experience in managing the company enables him to provide the board with invaluable knowledge and guidance. Mr. Hennessy is the brother of Dr. Brian A. Hennessy.

**Teresa M. Nilsen** (age 56) has served as president of Hennessy Advisors since January 2018, as chief operating officer since October 2010, and as a director and secretary since 1989. From 1989 until January 2018, Ms. Nilsen served as executive vice president and chief financial officer of Hennessy Advisors. Ms. Nilsen is also executive vice president and treasurer of our mutual funds. Ms. Nilsen has worked in the securities industry since 1987, and she earned a bachelor of arts in economics from the University of California, Davis. Ms. Nilsen contributes invaluable long-term knowledge of the Company’s business and operations. Her additional qualifications to serve on our board include her significant financial management, operational, and leadership experience gained during her extensive career in the securities industry.

**Henry Hansel** (age 74) has served as a director of Hennessy Advisors since 2001. He has been president of The Hansel Auto Group, which includes nine automobile dealerships, since 1982. Mr. Hansel served as a director of the Bank of Petaluma from its organization in 1987 until it was sold in 2002. Mr. Hansel earned a bachelor of science in economics from the University of Santa Clara. Mr. Hansel’s experience with running a large and economically cyclical business provides him with excellent financial statement and operational knowledge. His corporate business experience, combined with his attentive and thorough service as a director over the years, allows him to provide the board with valuable recommendations and ideas.

**Brian A. Hennessy** (age 69) has served as a director of Hennessy Advisors since 1989 and as a director of our mutual funds from 1996 to 2001. Dr. Hennessy, now retired, was a self-employed dentist for over 20 years. Dr. Hennessy earned a bachelor of science in biology from the University of San Francisco and a D.D.S. from the University of the Pacific. Dr. Hennessy's qualifications to serve on our board include his considerable experience as a business owner. His many years running his own practice allowed him to navigate many business-related issues, making him a valuable source of knowledge to us. This, combined with his prior service as a director of our mutual funds, has provided him with a solid understanding of the company and the industry in which it operates. Dr. Hennessy is the brother of our chairman of the board, Neil J. Hennessy.

**Lydia Knight-O'Riordan** (age 58) has served as a director of Hennessy Advisors since 2021. Ms. Knight-O'Riordan has worked for Hathaway Dinwiddie Construction Co. since 1988 and currently serves as a manager in the Cost Management and Project Management division, a role that she has held since 2009. She previously served as Assistant Project Manager and Project Accountant. Ms. Knight-O'Riordan is a member of the Middletown Rancheria of Pomo Indians of California and was appointed to the tribe's Economic Committee in 2020 after having previously served two terms as Treasurer. She also serves as a board member of the Santa Venetia Swim Club. Ms. Knight-O'Riordan's extensive leadership and management experience has given her in-depth knowledge of the business world and enables her to provide the board with valuable insight.

**Kiera Newton** (age 45) has served as a director of Hennessy Advisors since 2022. Ms. Newton has worked as a Forensic Accountant for Gurse | Schneider LLP since January 2020. Prior to that, she was an Assurance Manager at Marcum LLP from 2013 through November 2019, where she was involved in numerous private and public company reviews and audits and supervised the work of others on the audit team. Ms. Newton earned a bachelor of science in Accounting from Saint Mary's College of California. Her extensive accounting and auditing experience enables her to lead and guide our audit committee.

**Susan W. Pomilia** (age 56) has served as a director of Hennessy Advisors since 2014. Ms. Pomilia has worked in the mortgage industry for over 30 years. From 1985 to 2007, Ms. Pomilia worked for Residential Mortgage Capital, d/b/a First Security Loan, where she opened branches in Larkspur and Mill Valley. From 2007 to 2017, she worked with RPM Mortgage and grew her business to include branches in Mill Valley, Napa, and Petaluma. Because of her constant pursuit of better products and service, she aligned her team with Supreme Lending in November 2017. Ms. Pomilia's experience managing dozens of employees and multiple branches provides her with excellent insight and business perception. This, combined with her exceptional service as the president of Cruisin' with Susan, a non-profit organization, treasurer of NorthBay California Association of Mortgage Professionals, and vice president of Pomilia Financial, Inc., provides her with tremendous understanding of business in general and the financial industry specifically.

**Thomas L. Seavey** (age 76) has served as a director of Hennessy Advisors since 2001. For the majority of Mr. Seavey's business career he has been involved in the sales and marketing of athletic and leisure products, as well as working with professional athletes. During the 1980s and 1990s, Mr. Seavey worked for Nike as the vice president of sales, as well as for International Management Group (IMG) as a vice president. During this time, he also formed his own company, Seavey Corp., now ALPS Group, which sells sport and leisure products. Mr. Seavey formally managed ALPS Group for over a decade. He is no longer involved in the day-to-day operations of ALPS Group, but continues as an advisor and president. Mr. Seavey earned a bachelor of arts in English and history from Western Michigan University. Mr. Seavey's experience working for a large corporation, where he led worldwide marketing campaigns, provided him vast knowledge of the business world. His experience has sharpened his financial and operational knowledge, and he brings these assets to our board of directors in a relatable, effective way. This, combined with his diligent and focused service as a director of our company over the years, has provided him with an excellent understanding of the company and the industry in which it operates, making him a valuable resource to our board.

## CORPORATE GOVERNANCE

### Director Attendance

Our board held five regular meetings during fiscal year 2022. All directors attended at least 75% of all meetings of the board and board committees on which they served during fiscal year 2022.

Directors are encouraged to attend the annual meetings of shareholders. All nine of our then-current directors other than Brian A. Hennessy attended the 2022 annual meeting of shareholders.

### Director Independence

The board determined that Henry Hansel, Lydia Knight-O’Riordan, Kiera Newton, Susan W. Pomilia, and Thomas L. Seavey are independent under Nasdaq rules. The Nasdaq rules include several objective tests and one subjective test for determining who is an independent director. The subjective test requires that the board affirmatively determine, after reviewing all relevant information, that a director does not have any relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The board has not established categorical standards or guidelines to make this subjective determination, but instead considers all relevant facts and circumstances.

Henry Hansel, Lydia Knight-O’Riordan, Kiera Newton, Susan W. Pomilia, and Thomas L. Seavey all qualified as independent under the objective tests. The board then reviewed and discussed additional information provided by the directors and the company with regard to any transactions, relationships, or arrangements that each such director had with the company during the three years prior to the independence determination. Matters reviewed included commercial and charitable transactions, relationships, and arrangements, and the board deemed none of such matters to be material. Based on this review, the board made a subjective determination that no relationships exist that impair the independence of such directors.

### Board Diversity

The following matrix details the diversity of the board of directors as of the date of this proxy statement:

<b>Board Size:</b>				
Total Number of Directors	8			
<b>Gender:</b>	<b>Male</b>	<b>Female</b>	<b>Non-Binary</b>	<b>Gender Undisclosed</b>
Number of Directors Based on Gender Identity	4	4	0	0
<b>Number of Directors Who Identify in Any of the Categories Below:</b>				
African American or Black	0	1	0	0
Alaskan Native or Native American	0	1	0	0
Asian	0	0	0	0
Hispanic or Latino	0	0	0	0
Native Hawaiian or Pacific Islander	0	0	0	0
White	4	2	0	0
Two or More Races or Ethnicities	0	0	0	0
LGBTQ+	0	0	0	0
Undisclosed	0	0	0	0

## Board Committees

The board of directors has established an audit committee, a compensation committee, and a nominating committee. Members of these committees are elected annually, generally in the winter. Each committee has a written charter that is approved by the board and reviewed for adequacy on an annual basis. Committee charters are available on our website at [www.hennessyadvisors.com](http://www.hennessyadvisors.com).

*Audit Committee.* During fiscal year 2022, the audit committee comprised Daniel G. Libarle (Chair), Henry Hansel, and Thomas L. Seavey, all of whom are considered independent under Nasdaq rules. The audit committee met four times during fiscal year 2022. Effective as of December 8, 2022, the audit committee comprises Kiera Newton (Chair), Henry Hansel, and Thomas L. Seavey. Ms. Newton is also considered independent under Nasdaq rules. The principal responsibilities and functions of the audit committee include reviewing our internal controls and the integrity of our financial reporting, approving the employment and compensation of and overseeing our independent auditor, and reviewing the quarterly reviews and annual audit with the auditor.

Our board has determined that Kiera Newton is an audit committee financial expert, as defined in the rules and regulations of the Securities and Exchange Commission (the “SEC”), and is considered independent under SEC and Nasdaq rules. Our board based its determination on the fact that Ms. Newton has extensive experience evaluating financial statements prepared in accordance with generally accepted accounting principles and has also acquired an understanding of internal controls, procedures for financial reporting, and audit committee functions as a Certified Public Accountant with seven years of experience in public accounting. Ms. Newton worked as an Audit Associate for Ernst & Young from 2012 to 2013 and subsequently as an Assurance Manager for Marcum LLP from 2013 through 2019.

*Compensation Committee.* During fiscal year 2022, the compensation committee comprised Thomas L. Seavey (Chair), Daniel G. Libarle, Rodger Offenbach, and Susan W. Pomilia, all of whom are considered independent under Nasdaq rules. Effective as of December 8, 2022, the compensation committee comprises Thomas L. Seavey (Chair) and Susan W. Pomilia. The compensation committee met two times during fiscal year 2022. This committee has the responsibility of approving the compensation arrangements for our executive officers, including annual equity awards, which were approved on September 15, 2022, with a grant date of September 18, 2022, and annual cash bonuses, which were approved on September 15, 2022. It also recommends to the board of directors whether to adopt any compensation plans in which our officers and directors are eligible to participate and makes grants of employee stock options and other stock awards under our incentive plan. Our executive officers do not determine their own compensation. However, the president, after consultation with the company’s other executive officers, recommends to the compensation committee (1) the amount of base salary, cash bonus, company 401(k) contribution, and equity compensation for Ms. Kathryn R. Fahy, our chief financial officer, and Mr. Steadman, our executive vice president, (2) the amount of the chief executive officer’s company 401(k) contribution and equity compensation, and (3) the amount of her own company 401(k) contribution and equity compensation, in each case based on salary surveys and the experience and performance of our executive officers. The compensation committee does not have any arrangements with compensation consultants. As a small company, our compensation committee relies on its business judgment in making compensation decisions for our executive officers. The compensation committee is also responsible for reviewing and approving all related party transactions.

*Nominating Committee.* During fiscal year 2022, the nominating committee comprised Susan W. Pomilia (Chair), Henry Hansel, Daniel G. Libarle, Rodger Offenbach, and Thomas L. Seavey. Effective as of December 8, 2022, the nominating committee comprises Susan W. Pomilia (Chair), Henry Hansel, and Thomas L. Seavey. The nominating committee met once during fiscal year 2022. The principal responsibilities and functions of the nominating committee include making recommendations for director nominees to the full board of directors for the next annual meeting of shareholders and making recommendations for committee assignments and committee chair designations.

Qualifications for consideration as a director nominee vary according to the particular areas of expertise sought to complement the existing board composition. However, in making its nominations, the nominating committee considers, among other things, an individual's business experience, industry experience, financial background, breadth of knowledge about issues affecting the company, time available for meetings and consultation regarding company matters, and other particular skills and experience. In considering the diversity of a candidate, the committee considers a variety of factors including, but not limited to, age, gender, and ethnicity. We do not currently employ an executive search firm or retain any other third party to locate qualified candidates for director positions, although we may do so in the future if the nominating committee deems it appropriate. Shareholders may recommend a potential director nominee by following the procedures described below in "Deadlines for Submissions of Proxy Proposals, Proposals for Director Nominations or Other Business, and Recommendations for Potential Director Nominees."

### **Leadership Structure**

Neil J. Hennessy serves as both our chief executive officer and chairman of the board, which the board believes is the most appropriate and effective leadership structure for the board and the company at this time. Mr. Hennessy brings over 30 years of strategic leadership experience and an unparalleled knowledge of the company's business, operations, and risks to his role as chairman. This depth of knowledge enables Mr. Hennessy to effectively set appropriate board agendas and ensure appropriate processes and relationships are established between management and the board as our board works together to oversee our management and affairs. The board has not appointed a lead independent director.

### **Board Role in Risk Oversight**

The board, together with the audit committee, oversees both the investment risk and operational risk components of our risk management framework and is responsible for helping to ensure that our risks are managed in a sound manner. The directors oversee an enterprise-wide approach to risk management designed to support the achievement of organizational objectives, including strategic objectives, to improve long-term organizational performance and enhance shareholder value. It is a fundamental aspect of risk management not only to understand the risks a company faces and the steps management is taking to manage those risks, but also to evaluate the appropriate risk level for the company. The involvement of the full board in setting our business strategy is a key part of the directors' assessment of management's appetite for risk and a determination of what constitutes an appropriate risk level. The board has determined that its risk oversight is appropriate for the company.

The board has adopted a Code of Ethics for Hennessy Funds Trust and Hennessy Advisors that applies to our directors and employees, the full text of which is available at [www.hennessyadvisors.com](http://www.hennessyadvisors.com). Each director and employee annually confirms in writing that he or she has reviewed and will fully comply with the Code of Ethics.



## **Hedging Transactions**

We have not adopted any practice or policy regarding the ability of our directors or employees (including our executive officers), or any of their designees, to engage in transactions that hedge or offset, or are designed to hedge or offset, any decrease in the market value of our common stock.

## **Related Party Transactions**

During fiscal years 2022 and 2021, there were no related party transactions of more than \$120,000, except as described below.

Alan J. Hennessy, son of Neil J. Hennessy, is employed by the company and serves as vice president of corporate development and operations of our mutual funds. In fiscal year 2022, he earned a total of \$282,250 from the company, consisting of base salary, cash bonus, and a grant of restricted stock units at a grant date stock price of \$9.00 per share. In fiscal year 2021, he earned a total of \$275,500 from the company, consisting of base salary, cash bonus, and a grant of restricted stock units at a grant date stock price of \$10.00 per share. All restricted stock units vest at a rate of 25% per year over four years. In addition, in both fiscal years he received other benefits on the same terms available to all other employees of the company, including eligibility for awards of restricted stock units. His compensation is commensurate with his peers' compensation.

## DIRECTOR COMPENSATION

The following table sets forth compensation received by each non-management director in fiscal year 2022. From October 1, 2021, through December 31, 2021, non-management directors received \$13,500 per board meeting and \$1,500 per committee meeting, and committee chairs received \$2,000 per committee meeting. Effective January 1, 2022, the per board meeting fees were decreased to \$12,000 in connection with the appointment of an additional non-management director to the Board, but the committee and chair fees remained unchanged. In addition to the fees received for board and committee service, the compensation committee determines the amount of restricted stock units, if any, to award to each non-management director on an annual basis.

Name <sup>(1)</sup>	Fees Earned or Paid in Cash (\$)	Stock Awards <sup>(2)</sup> (\$)	Total (\$)
Henry Hansel	70,500	40,500	111,000
Brian A. Hennessy	63,000	40,500	103,500
Lydia Knight- O’Riordan	36,000	40,500	76,500
Daniel G. Libarle	75,500	40,500	116,000
Rodger Offenbach	67,500	40,500	108,000
Susan W. Pomilia	68,000	40,500	108,500
Thomas L. Seavey	74,500	40,500	115,000

(1) Ms. Knight-O’Riordan was appointed to the Board effective December 1, 2021.

Ms. Newton was appointed to the Board effective December 8, 2022, after the end of fiscal year 2022, and therefore is not included in the table.

Messrs. Libarle and Offenbach transitioned to serve on our recently-formed Advisory Committee effective December 8, 2022.

(2) The amounts in this column include the aggregate grant date fair value, computed in accordance with FASB ASC Topic 718 – Stock Compensation. Stock awards are grants of restricted stock units with no exercise price. The units vest at a rate of 25% per year on the first four anniversaries of the grant date. Restricted stock units do not earn dividends or dividend equivalents. The value of restricted stock units granted is calculated as the number of units granted times the fair market value of our common stock on the grant date, which was \$9.00 on the grant date of September 18, 2022. Other than Ms. Knight-O’Riordan, who held 4,500 non-vested restricted stock units, each other non-management director held 13,125 non-vested restricted stock units as of September 30, 2022.

## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table shows information relating to the beneficial ownership as of November 30, 2022, of (1) each person known to us to be the beneficial owner of more than 5% of our common stock, (2) each director, (3) each executive officer named in the summary compensation table elsewhere in this proxy statement, and (4) all directors and executive officers as a group. Except as otherwise indicated, the shareholders listed exercise sole voting and dispositive power over the shares. The mailing address for all individuals listed in the following table is c/o Hennessy Advisors, Inc., 7250 Redwood Boulevard, Suite 200, Novato, California 94945.

<b>Name</b>	<b>Number of Shares Owned</b>	<b>Percent of Class</b>	<b>Additional Information</b>
Neil J. Hennessy	2,025,222	26.7%	Includes (A) 1,994,848 shares held jointly with his spouse, over which Mr. Hennessy has shared voting and dispositive power, and (B) 25,312 shares held solely by his spouse.
Teresa M. Nilsen	116,441	1.5%	Includes (A) 94,638 shares held jointly with her spouse, over which Ms. Nilsen has shared voting and dispositive power, (B) 20,285 shares held by Ms. Nilsen and by her spouse as custodian for their children, over which Ms. Nilsen has shared voting and dispositive power, and (C) 1,518 shares held solely by her spouse.
Kathryn R. Fahy	41,413	*	None.
Daniel B. Steadman	29,946	*	Includes (A) 27,446 shares held jointly with his spouse, over which Mr. Steadman has shared voting and dispositive power, and (B) 1,000 shares held solely by his child.
Henry Hansel	190,950	2.5%	None.
Brian A. Hennessy	276,002	3.6%	Includes (A) 250,692 shares held jointly with his spouse, over which Mr. Hennessy has shared voting and dispositive power, and (B) 12,655 shares held solely by his spouse.
Lydia Knight-O’Riordan	-	-	None.
Kiera Newton	-	-	None.
Susan W. Pomilia	107,532	1.4%	Includes (A) 42,187 shares held jointly with her spouse, over which Ms. Pomilia has shared voting and dispositive power, and (B) 65,344 shares held solely by her spouse.
Thomas L. Seavey	66,855	*	None.
Eden Capital Management, LLC <sup>(1)</sup>	572,106	7.6%	Includes 572,106 shares with shared voting and dispositive power, and 40,000 shares with sole voting and dispositive power.
All directors and executive officers (10 individuals)	2,854,361	37.7%	None.

\* Less than one percent of our common stock.

<sup>(1)</sup> Based on a Schedule 13G filed by Douglas Eden, Principal, Eden Capital Management, LLC, with the SEC on November 30, 2022. The address of Eden Capital Management, LLC is 13029 Sorrento Way, Bradenton, FL 34211.

## SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 (the “Exchange Act”) requires our executive officers, directors, and 10% shareholders to file reports with the SEC setting forth their holdings of, and transactions in, our common stock. Based solely on a review of copies of such reports and representations from these reporting persons, we believe all required reports were filed on a timely basis during fiscal year 2022.

### EXECUTIVE OFFICERS

Our executive officers are listed below.

Neil J. Hennessy	Chief Executive Officer and Chairman of the Board of Directors
Teresa M. Nilsen	President and Chief Operating Officer
Kathryn R. Fahy	Chief Financial Officer and Senior Vice President
Daniel B. Steadman	Executive Vice President

Biographical information for Ms. Fahy and Mr. Steadman is set forth below. Biographical information for Mr. Hennessy and Ms. Nilsen may be found under the heading “Election of Directors.”

**Kathryn R. Fahy** (age 42) has served as the chief financial officer and as a senior vice president of Hennessy Advisors since January 2018. From January 2006 until January 2018, Ms. Fahy served as the controller of Hennessy Advisors, and from March 2015 until January 2018, she also served as director of finance of Hennessy Advisors. She is also vice president, assistant secretary, and assistant treasurer of our mutual funds. Ms. Fahy began her career in accounting in 2002. Before joining the company in 2006, she worked as a public accountant for Deloitte & Touche, and as a senior internal auditor for Knight Ridder, Inc. Ms. Fahy holds a bachelor of arts in international economics with a minor in accounting from the University of California, Los Angeles, and is a Certified Public Accountant.

**Daniel B. Steadman** (age 66) has served as an executive vice president of Hennessy Advisors since 2000. He previously served as the chief compliance officer from 2010 until January 2018 and as a director from 2000 through December 2022. Mr. Steadman is also executive vice president and secretary of our mutual funds. Mr. Steadman has been in the banking and financial services industry since 1974, serving as vice president of WestAmerica Bank from 1995 through 2000, vice president of Novato National Bank from its organization in 1984 through 1995, assistant vice president and branch manager of Bank of Marin from 1980 through 1984, and banking services officer of Wells Fargo Bank from 1974 through 1980.

## COMPENSATION DISCUSSION AND ANALYSIS

### Compensation Overview

The goal of our compensation program is the same as our broader company-wide goal, which is to create long-term value for our shareholders. In an effort to achieve this goal, we have designed and implemented our compensation program to (1) encourage our executive officers to remain with us for long and productive careers and (2) align the interests of our executive officers with the interests of our shareholders. We believe that most of our compensation elements fulfill both of these objectives simultaneously. The principal elements of our compensation program are salary, bonus, equity awards, company 401(k) contributions, severance payments, and payments in the event of a change of control.

## Compensation Objectives

*Retention.* Given our small number of high-level executives, all of our executive officers are essential to our success. Our executive officers are experienced in the mutual fund industry and are presented with other professional opportunities in the industry from time to time, including opportunities at potentially higher compensation levels. We believe it is critical to our success that turnover among our executive officers remains low and that our executive officers remain driven to achieve their individual and company-wide goals. Key elements of our compensation program that are designed to maximize executive officer retention include:

- equity awards that vest over a four-year period;
- competitive base salaries;
- company 401(k) contributions; and
- severance or change of control agreements.

*Alignment.* We seek to align the interests of our executive officers with the interests of our shareholders. Key elements of our compensation program that are designed to do so include:

- cash bonuses based on individual and company-wide performance; and
- equity awards, which link a significant portion of compensation to shareholder value because the total value of those awards corresponds to stock price appreciation and provide an added incentive for our executive officers to focus on long-term performance and profitability.

## Say-on-Pay and Say-on-Frequency

An advisory say-on-pay vote relating to the compensation of our executive officers occurred at the 2020 annual meeting of shareholders. Shareholders indicated strong support of our compensation programs for our executive officers, with approximately 89% of votes cast in favor. In light of this strong support, which we believe demonstrates our shareholders' satisfaction with the alignment of our executive officers' compensation with the company's performance, the compensation committee maintained substantially the same compensation approach for fiscal years 2021 and 2022. In addition, because a substantial majority of the votes cast on our say-on-frequency proposal at the 2020 annual meeting of shareholders were in favor of having a say-on-pay vote every three years, we are holding our say-on-pay vote during this 2023 annual meeting of shareholders. We will hold our next say-on-frequency vote at the 2026 annual meeting of shareholders.

## Process for Determining Compensation of Our Executive Officers

The compensation committee is responsible for establishing and administering our policies governing executive officer compensation. Mr. Hennessy and Ms. Nilsen each receive a minimum salary and a formulaic quarterly cash bonus pursuant to their respective employment agreements. They are each eligible to receive a salary increase at the start of every calendar year. Any such increase is at the discretion of the board based on the recommendation of the compensation committee. For the remaining elements of compensation for Mr. Hennessy and Ms. Nilsen and for all elements of compensation for Ms. Fahy and Mr. Steadman, Ms. Nilsen recommends compensation amounts to the compensation committee after consulting with the company's other executive officers. Ms. Nilsen recommends the amount of cash bonuses and equity compensation for Ms. Fahy and Mr. Steadman for the current fiscal year, company 401(k) contributions for all executive officers for the current fiscal year, and the future base salary amounts for all executive officers. The compensation committee then decides whether to approve or adjust Ms. Nilsen's recommendations.

Ms. Nilsen's recommendations are based on her experience, the performance of our executive officers, and third-party salary survey data from McLagan. McLagan has an extensive database that includes compensation data from most investment management companies, including private companies for which information is not otherwise generally available. McLagan aggregates and summarizes the compensation data by position without disclosing specific information for any particular company. We compare our executive positions to what we determine to be positions of similar scope and complexity that are included in the McLagan data. We believe this comparative data is useful and appropriate in establishing competitive compensation levels for our executive officers.

The compensation committee does not have any arrangements with compensation consultants. In recognition of the fact that we are a smaller company, our compensation committee relies on its business judgment in making compensation decisions for our executive officers. With respect to each area in which our executive officers are evaluated, the compensation committee compares the company's performance and each executive officer's performance against targeted performance for the year and then evaluates whether individual and company-wide objectives set during the prior year's review were achieved. Specific factors affecting compensation decisions for executive officers include, but are not limited to, the following:

- key financial measurements, such as annual net income and year-end cash balance;
- preparing and effectively executing short-term and long-term strategic plans for the company;
- building banking relationships;
- improving and expanding the distribution, marketing, public relations, and sales programs for our funds;
- effectively leading and managing the company's employees, multiple offices, and several sub-advisors;
- maintaining compliance with applicable regulatory requirements; and
- providing administrative services, shareholder services, and investment advisory services to the Hennessy Funds family of funds (currently 16 funds) and their parent company, Hennessy Funds Trust.

### **Elements of Our Compensation Program**

*Base Salaries.* Base salaries are used to provide a fixed amount of compensation for an executive officer's regular work. According to the most recent McLagan salary survey, the base salaries for our executive officers are in the bottom half of financial services companies participating in the survey. Base salaries for executive officers are reviewed annually and may be adjusted from time to time by the compensation committee.

*Bonuses.* Mr. Hennessy and Ms. Nilsen each receive a quarterly incentive-based bonus (a "Quarterly Bonus") pursuant to employment agreements we entered into with them. Each Quarterly Bonus is calculated based on the company's pre-tax profits for each fiscal quarter, as computed for financial reporting purposes in accordance with accounting principles generally accepted in the United States of America, except that pre-tax profit is computed without regard to (1) bonuses payable to employees (including related payroll tax expenses) for the fiscal year, (2) depreciation expense, (3) amortization expense, (4) compensation expense related to restricted stock units (or other stock-based compensation expense), and (5) asset impairment charges (such amount, "Adjusted Quarterly Pre-Tax Profit"). Mr. Hennessy and Ms. Nilsen each receive a Quarterly Bonus equal to 6.5% and 3.5%, respectively, of Adjusted Quarterly Pre-Tax Profit. With respect to any fiscal quarter in which they earn Quarterly Bonuses, Mr. Hennessy and Ms. Nilsen receive 50% of their respective Quarterly Bonuses within 75 days following the end of such fiscal quarter and the remaining 50% is held in a reserve account. If Adjusted Quarterly Pre-Tax Profit is negative (reflecting a quarterly pre-tax loss) during any fiscal quarter in such fiscal year, the reserve accounts are reduced by an amount equal to such quarterly pre-tax loss multiplied by the same percentage amount used to determine Mr. Hennessy's and Ms. Nilsen's Quarterly Bonuses, respectively. If there is a positive balance in the reserve accounts at the end of the fiscal year, the amount in each reserve account is paid to Mr. Hennessy and Ms. Nilsen, respectively, within 75 days. If there is a negative balance in the reserve accounts at the end of the fiscal year, the negative reserve amounts are canceled and are not carried forward into the next fiscal year. More information regarding Mr. Hennessy's and Ms. Nilsen's employment agreements are described below under "Potential Payments upon Termination or Change of Control."

The cash bonus amounts for Mr. Steadman and Ms. Fahy are approved by the compensation committee and paid out of a general bonus pool for all employees other than Mr. Hennessy and Ms. Nilsen. The total bonus pool generally is set as a percentage of pre-tax profits, but the executive officers have discretion to adjust the bonus pool up or down based on business circumstances. Our executive officers determine the percentage amount to be accrued in the bonus pool each year and review that percentage amount quarterly based on the current performance of the company. Bonuses paid out of the bonus pool are discretionary, but are based in part on individual performance. Each year, our executive officers set company-wide objectives that are then presented to the board. They also set individual performance objectives for each employee that are based on customer focus, teamwork, ethics, work product and quality, and attitude. For fiscal year 2022, company-wide objectives included effectively managing cash and equity, maintaining profitability, pursuing strategic business opportunities, building banking relationships, improving and expanding our distribution, marketing, public relations, and sales programs, strengthening our networking and business relationships, effectively managing our relationships with our sub-advisors and satellite offices, and maintaining our compliance program. Because the bonus accrual is based primarily on a percentage of pre-tax profits, bonuses automatically are aligned with the company's performance.

*Equity Awards.* We believe that the use of equity awards helps us to maintain a strong association between the compensation of our executive officers and the long-term interests of our shareholders. Furthermore, we believe that restricted stock units are the most effective equity compensation tool for a company of our size because restricted stock units provide the same type of equity-based value to executive officers as stock options, but with less dilution to earnings per share for an equivalent grant date fair value. All of our restricted stock unit awards vest over four-year periods, which we believe provide added incentive to our executive officers to focus on long-term performance and profitability and encourage executive retention. Following its annual performance review of our executive officers, the compensation committee determines the amount of restricted stock units, if any, to award to our executive officers and sets the aggregate amount of restricted stock units, if any, to be awarded to employees on a subjective basis based on our budget for future years and the number of shares available for issuance under the company's Amended and Restated 2013 Omnibus Incentive Plan.

*Company 401(k) Contributions.* We use 401(k) contributions as a means of compensating and retaining our executive officers while also instilling in them the idea that retirement planning is essential. The company 401(k) contribution is optional from year to year and is awarded to our executive officers on the same basis that it is awarded to all employees. It is not based on performance or goal achievement. The percentage level of the contribution is subjective and is determined by our executive officers annually for all employees. The compensation committee approves the percentage level of contribution with respect to our executive officers.

*Severance or Change of Control Agreements.* Mr. Hennessy's and Ms. Nilsen's employment agreements provide for certain payments upon the occurrence of specified events, including (i) if Mr. Hennessy's or Ms. Nilsen's employment is terminated, respectively, or (ii) if an acquiror of all or substantially all of the company's assets does not assume Mr. Hennessy's or Ms. Nilsen's employment agreement, respectively. We believe that the rights to these payments provide job security for Mr. Hennessy and Ms. Nilsen and allow them to focus on the performance of our company.

We have also entered into bonus agreements with Ms. Nilsen and Mr. Steadman that provide for payments in the event of a change of control with or without termination. The change of control payments are intended to allow Ms. Nilsen and Mr. Steadman to remain focused on their performance, our best interests, and the best interests of our shareholders if a change of control is anticipated or occurs, as well as to ensure a smooth transition in the event of a change of control. Upon a change of control, Ms. Nilsen would not receive a bonus pursuant to both her employment agreement and bonus agreement upon a change of control; instead, she would receive the higher of the two payments.

In addition, the restricted stock unit award agreements between the company and each executive officer provide that all restricted stock units held by an executive officer immediately vest in full (i) if the executive officer's employment terminates as a result of death, disability, or retirement at a time when the company would not be able to terminate the executive officer for cause or (ii) upon a change of control of the company.

More information regarding these agreements is included below under "Potential Payments upon Termination or Change of Control."

*Nonqualified Deferred Compensation Benefits.* We do not offer a nonqualified deferred compensation plan to any of our employees.

*Pension Benefits.* We do not sponsor any pension plans.

*Other Compensation.* Benefits and perquisites provided to our executive officers are generally the same as those offered to all employees, except that we pay for a car allowance, premiums on life insurance, and premiums on disability insurance for Neil J. Hennessy pursuant to the terms of his employment agreement. We also pay for fitness club memberships for Ms. Nilsen and Ms. Fahy. Finally, we make charitable contributions on behalf of each of our executive officers and cover expenses related to required travel by their spouses, as applicable.

*Tax Treatment.* Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), generally limits our income tax deduction for compensation paid in any taxable year to our executive officers that exceeds \$1,000,000. The compensation committee considers the impact of Section 162(m) when determining base salary, cash bonuses, equity awards, and other compensation for our executive officers, but tax deductibility is only one of several factors considered by the compensation committee in the design and implementation of our compensation program. Therefore, the compensation committee may approve compensation that exceeds \$1,000,000 to ensure competitive compensation levels and structures for our executive officers.



## EXECUTIVE COMPENSATION

### Summary Compensation Table for Fiscal Years 2022 and 2021<sup>(1)</sup>

Name and Principal Position	Fiscal Year	Salary (\$)	Stock Awards <sup>(2)</sup> (\$)	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation <sup>(4)</sup> (\$)	Total (\$)
<b>Neil J. Hennessy</b>	2022	350,000	141,750	790,887 <sup>(3)</sup>	86,990	1,369,627
CEO	2021	350,000	157,500	1,026,397	88,653	1,622,550
<b>Teresa M. Nilsen</b>	2022	325,000	141,750	425,862 <sup>(3)</sup>	26,628	919,240
President and COO	2021	325,000	157,500	552,676	23,899	1,059,075
<b>Kathryn R. Fahy</b>	2022	250,000	90,000	170,000	18,547	528,547
CFO and Senior Vice President	2021	225,000	100,000	185,000	16,961	526,961
<b>Daniel B. Steadman</b>	2022	250,000	67,500	100,000	18,831	436,331
Executive Vice President	2021	250,000	75,000	125,000	17,500	467,500

<sup>(1)</sup> As a smaller reporting company for purposes of the SEC's disclosure rules, we are subject to scaled disclosure requirements under which reduced disclosure of executive compensation is permitted. We include only two fiscal years of compensation information in the Summary Compensation Table for our named executive officers, rather than three, pursuant to such scaled disclosure rules.

<sup>(2)</sup> The amounts in this column include the aggregate grant date fair value, computed in accordance with FASB ASC Topic 718 – Stock Compensation. Stock awards are grants of restricted stock units with no exercise price. The units vest at a rate of 25% per year on the first four anniversaries of the grant date. Restricted stock units do not earn dividends or dividend equivalents. The value of restricted stock units for a particular fiscal year is calculated as the number of units granted during such fiscal year times the fair market value of our common stock on the grant date. The fair market value of our common stock was \$9.00 on the grant date for fiscal year 2022 (September 18, 2022) and \$10.00 on the grant date for fiscal year 2021 (September 18, 2021).

<sup>(3)</sup> For fiscal year 2022, Mr. Hennessy and Ms. Nilsen each received an incentive-based bonus in the amount of 6.5% and 3.5%, respectively, of our Adjusted Quarterly Pre-Tax Profit. The Adjusted Quarterly Pre-Tax Profit for fiscal year 2022 was calculated as income before tax of \$7,946,658 plus bonuses of \$2,735,574 (Mr. Hennessy's and Ms. Nilsen's bonus accruals and the bonus accrual for other employees), payroll tax accruals of \$42,480, depreciation and amortization expense of \$206,520 and compensation expense related to restricted stock units of \$1,236,259, for a total pre-tax profit of \$12,167,491. A discussion of the terms of Mr. Hennessy's and Ms. Nilsen's employment agreements begins on page 18.

<sup>(4)</sup> All other compensation for fiscal year 2022 for Mr. Hennessy includes premiums on life insurance (\$52,475), disability insurance, a car allowance, a charitable contribution made on his behalf, miscellaneous expenses related to required travel by his spouse, and a profit-sharing contribution to his 401(k) plan. All other compensation for fiscal year 2022 for each of Ms. Nilsen, Ms. Fahy, and Mr. Steadman includes a fitness club membership (for each of Ms. Nilsen and Ms. Fahy only), a charitable contribution made on his or her behalf, miscellaneous expenses related to required travel by his or her spouse, as applicable, and a profit-sharing contribution to his or her 401(k) plan.

## Outstanding Equity Awards at Fiscal Year End 2022

Name	Grant Date	Stock Awards <sup>(1)</sup>	
		Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested (\$)
Neil J. Hennessy	8/30/2019	3,937.5	34,138
	9/18/2020	7,875.0	68,276
	9/18/2021	11,812.5	102,414
	9/18/2022	15,750.0	136,553
Teresa M. Nilsen	8/30/2019	3,937.5	34,138
	9/18/2020	7,875.0	68,276
	9/18/2021	11,812.5	102,414
	9/18/2022	15,750.0	136,553
Kathryn R. Fahy	8/30/2019	2,500.0	21,675
	9/18/2020	5,000.0	43,350
	9/18/2021	7,500.0	65,025
	9/18/2022	10,000.0	86,700
Daniel B. Steadman	8/30/2019	1,875.0	16,256
	9/18/2020	3,750.0	32,513
	9/18/2021	5,625.0	48,769
	9/18/2022	7,500.0	65,025

<sup>(1)</sup> Stock awards are grants of restricted stock units with no exercise price. The units vest at a rate of 25% per year on the first four anniversaries of the grant date. Restricted stock units do not earn dividends or dividend equivalents. The market value of restricted stock units that have not vested is calculated as the number of unvested units times the fair market value of \$8.67 per share on September 30, 2022. The actual value realized by the executive officer will depend on the market value of our common stock on the date the awards vest.

## Potential Payments upon Termination or Change of Control

Under the terms of the restricted stock unit award agreements between the company and each executive officer, the employment agreements with Mr. Hennessy and Ms. Nilsen, and the bonus agreements with Ms. Nilsen and Mr. Steadman, our executive officers are entitled to certain compensation in the event of a termination of employment or a change of control of the company. The material terms of each such agreement are discussed below.

*Neil J. Hennessy*

### Employment Agreement

We have had an employment agreement with Mr. Hennessy since the time of our initial public offering, and such employment agreement has been amended and amended and restated several times. Most recently, we amended and restated Mr. Hennessy's employment agreement as of February 22, 2019, to provide for Mr. Hennessy's continued service through January 26, 2023, with automatic one-year renewals unless either party gives written notice to the other at least 60 days prior to the expiration of the then-current term.

Under the terms of his employment agreement, Mr. Hennessy is entitled to (1) an annual base salary of \$350,000, which amount may be increased in the board's sole discretion at the start of each calendar year, (2) Quarterly Bonuses of 6.5% of Adjusted Quarterly Pre-Tax Profit, and (3) participate in our benefit plans. In the event that (A) Mr. Hennessy's employment is terminated by the company without cause or (B) Mr. Hennessy terminates his employment with the company for good reason, Mr. Hennessy is entitled to receive severance payable in 24 equal monthly installments (except to the extent payment is required to be delayed pursuant to Section 409A of the Code) equal to the sum of (i) (x) one year's full base salary and an average annual bonus for the three most recent fiscal years prior to the termination of employment multiplied by (y) two and (ii) a pro-rated Quarterly Bonus for the quarter in which the termination occurs. In addition, under the foregoing circumstances, Mr. Hennessy is also entitled to receive payment of any previously earned and deferred Quarterly Bonus in the reserve account following the end of the fiscal year in which his employment terminates. In the event Mr. Hennessy is terminated for cause or terminates his employment with the company without good reason, no severance is payable.

If the employment agreement terminates as a result of death or disability, Mr. Hennessy is entitled to all bonuses earned or accrued as of the date of his termination. Furthermore, in the case of disability, Mr. Hennessy is also entitled to continue receiving his base salary and benefits for three months or until the date he begins receiving benefits under a disability plan or policy, whichever is soonest.

In the event of a sale, transfer, or other disposition of all or substantially all of our assets or business, whether by merger, consolidation, or otherwise, we may assign the employment agreement and its rights, provided that the successor assumes all of our obligations under the employment agreement.

If any payment or benefit under the employment agreement and any other agreement, plan, or arrangement would constitute an excess parachute payment under Section 280G of the Code, then Mr. Hennessy would receive either the full amount of such payments and benefits or a lesser amount such that no portion of the payments and benefits would be subject to the excise tax, whichever would result in a greater after-tax benefit to Mr. Hennessy.

The employment agreement defines the terms listed below as follows:

- Cause exists if Mr. Hennessy:
  - is convicted of, or enters a plea of nolo contendere to, a felony (other than a traffic-related offense) under any state, federal, or local law or any felony involving the company, where conviction includes any final disposition of the charge that does not result in the charges being completely dismissed or Mr. Hennessy's being completely acquitted;
  - materially breaches (1) the employment agreement or (2) the company's policies and procedures, which breach is not cured, if capable of being cured, after written notice within 30 days of the date notice of such breach is received by Mr. Hennessy; or
  - engages in willful or gross misconduct or willful or gross negligence in performing his duties, or fraud, misappropriation, or embezzlement.
- Good reason means:
  - the assignment to Mr. Hennessy of duties materially inconsistent with his position, authority, duties, or responsibilities as of the date of the employment agreement; or

- any action or omission that results in a material diminution of the position, authority, duties, or responsibilities of Mr. Hennessy as of the date of the employment agreement;
- a material reduction in Mr. Hennessy's annual base salary (other than a reduction that applies generally to the Company's senior management);
- the relocation, without Mr. Hennessy's prior written consent, of his principal place of employment to a location more than 50 miles away (measured in the shortest driving distance) from his principal place of employment on the date of the employment agreement; or
- the failure by the Company to have an acquirer of all or substantially all of the Company's assets assume Mr. Hennessy's employment agreement;

provided, in any case, that Mr. Hennessy (1) provides notice to the company of the existence of the condition constituting good reason within 90 days of its initial existence and (2) allows the company 30 days to remedy the condition.

- Disability means a physical or mental disability or infirmity that prevents Mr. Hennessy from performing substantially the duties assigned to him (based on such competent medical evidence as shall be presented to the company by any physician or group of physicians or other competent medical experts employed by the company) for a continuous period of more than 180 days.

#### Restricted Stock Unit Award Agreements

The restricted stock unit award agreements between the company and each executive officer provide that all restricted stock units held by an executive officer immediately vest in full (1) if the executive officer's employment terminates as a result of death, disability, or retirement at a time when the company would not be able to terminate the executive officer for cause or (2) upon a change of control of the company.

The Amended and Restated 2013 Omnibus Incentive Plan, under which the restricted stock unit award agreements are issued, defines the terms listed below as follows:

- Disability, with respect to restricted stock unit awards, means, except as otherwise determined by the compensation committee and set forth in an award agreement, the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of at least 12 months, as determined by the compensation committee.
- Retirement means, except as otherwise determined by the compensation committee and set forth in an award agreement, termination of employment with the company and its affiliates (for other than cause) on a date the participant is then eligible to receive immediate early or normal retirement benefits under the provisions of any of the company's or its affiliate's defined benefit pension plans, or if the participant is not covered under any such plan, on or after attainment of age 55 and completion of 10 years of continuous service with the company and its affiliates or on or after attainment of age 65 and completion of five years of continuous service with the company and its affiliates, where "cause" means (1) if the participant is subject to an employment agreement with the company or an affiliate that contains a definition of "cause", such definition, or (2) otherwise, except as otherwise determined by the compensation committee and set forth in an award agreement, any of the following as determined by the compensation committee: (A) violation of the provisions of any employment agreement, non-competition agreement, confidentiality agreement, or similar agreement with the company or an affiliate, or the company's or an affiliate's code of ethics, as then in effect; (B) conduct rising to the level of gross negligence or willful misconduct in the course of employment with the company or an affiliate; (C) commission of an act of dishonesty or disloyalty involving the company or an affiliate; (D) violation of any federal, state or local law in connection with the participant's employment or service; or (E) breach of any fiduciary duty to the company or an affiliate.

- A change of control is the occurrence of one or more of the following events:
  - an acquisition, in any one transaction or series of transactions, after which any individual, entity, or group has beneficial ownership of 50% or more of either the then outstanding shares of our common stock or the combined voting power of our then outstanding voting securities, but excluding an acquisition (1) by us or any of our employee benefit plans (or related trusts), (2) by Neil J. Hennessy or any affiliate, or (3) by any corporation which, following the acquisition, is beneficially owned, directly or indirectly, in substantially the same proportions, by the beneficial owners of the common stock and voting securities of the company immediately prior to such acquisition; or
  - 50% or more of the members of our board of directors (1) are not continuing directors, or (2) are nominated or elected by the same beneficial owner or are elected or appointed in connection with an acquisition of the company; or
  - the (1) consummation of a reorganization, merger, share exchange, consolidation, or similar transaction, with respect to which the beneficial owners of the company immediately prior to such transaction do not, following such transaction, beneficially own more than 50% of the then outstanding shares of common stock and voting securities of the corporation resulting from the transaction, (2) consummation of the sale or other disposition of all or substantially all of the assets of the company, or (3) approval by the shareholders of the company of a complete liquidation or dissolution of the company.

*Teresa M. Nilsen*

#### Employment Agreement

On January 26, 2018, we entered into an employment agreement with Ms. Nilsen in connection with her appointment as president of the Company. The agreement provides for Ms. Nilsen's continued service through January 26, 2023, with automatic one-year renewals unless either party gives written notice to the other at least 60 days prior to the expiration of the then-current term.

Under the terms of her employment agreement, Ms. Nilsen is entitled to (1) an annual base salary of \$325,000, which amount may be increased in the board's sole discretion at the start of each calendar year, (2) Quarterly Bonuses of 3.5% of Adjusted Quarterly Pre-Tax Profit, and (3) participate in our benefit plans. In the event that (A) Ms. Nilsen's employment is terminated by the company without cause or (B) Ms. Nilsen terminates her employment with the company for good reason, Ms. Nilsen is entitled to receive severance payable in 24 equal monthly installments (except to the extent payment is required to be delayed pursuant to Section 409A of the Code) equal to the sum of (i) (x) one year's full base salary and an average annual bonus for the three most recent fiscal years prior to the termination of employment multiplied by (y) two and (ii) a pro-rated Quarterly Bonus for the quarter in which the termination occurs. In addition, under the foregoing circumstances, Ms. Nilsen is also entitled to receive payment of any previously earned and deferred Quarterly Bonus in the reserve account following the end of the fiscal year in which her employment terminates. In the event Ms. Nilsen is terminated without cause or resigns with good reason in connection with a change of control, Ms. Nilsen's severance payment pursuant to the employment agreement is reduced by the amount of any cash portion of the benefits paid to Ms. Nilsen upon such change of control pursuant to the bonus agreement described below or any amendment, restatement, or replacement thereof. In the event Ms. Nilsen is terminated for cause or terminates her employment with the company without good reason, no severance is payable.

If the employment agreement terminates as a result of death or disability, Ms. Nilsen is entitled to all bonuses earned or accrued as of the date of her termination. Furthermore, in the case of disability, Ms. Nilsen is also entitled to continue receiving her base salary and benefits for three months or until the date she begins receiving benefits under a disability plan or policy, whichever is soonest.

In the event of a sale, transfer, or other disposition of all or substantially all of our assets or business, whether by merger, consolidation, or otherwise, we may assign the employment agreement and its rights, provided that the successor assumes all of our obligations under the employment agreement.

If any payment or benefit under the employment agreement and any other agreement, plan, or arrangement would constitute an excess parachute payment under Section 280G of the Code, then Ms. Nilsen would receive either the full amount of such payments and benefits or a lesser amount such that no portion of the payments and benefits would be subject to the excise tax, whichever would result in a greater after-tax benefit to Ms. Nilsen.

The employment agreement defines "cause" and "good reason" the same as in Mr. Hennessy's employment agreement, which is described above under the description of payments to Mr. Hennessy.

#### Bonus Agreement

We also have a bonus agreement with Ms. Nilsen that provides for a one-time cash bonus within 15 days of a change of control of the company equal to the greater of the following:

(1) \$1,000,000; or

(2) the sum of (A) 150% of the total base salary (before deductions) paid to Ms. Nilsen for the most recent fiscal year ended prior to the change of control, (B) 150% of the prior year's bonus, and (C) a pro rata portion of the prior year's bonus, provided at least such amount has been accrued by us as a bonus for Ms. Nilsen in the fiscal year during which the change of control occurs.

If the bonus payable upon a change of control, together with any other payments or benefits received or to be received by Ms. Nilsen from the company or any successor thereto in the change of control transaction, would constitute an excess parachute payment under Section 280G of the Code, then Ms. Nilsen would receive either the full amount of such payments and benefits or a lesser amount such that no portion of the payments and benefits would be subject to the excise tax, whichever would result in a greater after-tax benefit to Ms. Nilsen.

A change of control is defined in the bonus agreement the same as in the restricted stock unit award agreements, which are described above under the description of payments to Mr. Hennessy.

### Restricted Stock Unit Award Agreements

We also have restricted stock unit award agreements with Ms. Nilsen on the same terms as the restricted stock unit award agreements with Mr. Hennessy, which are described above under the description of payments to Mr. Hennessy.

*Kathryn R. Fahy*

### Restricted Stock Unit Award Agreements

We have restricted stock unit award agreements with Ms. Fahy on the same terms as the restricted stock unit award agreements with Mr. Hennessy, which are described above under the description of payments to Mr. Hennessy.

*Daniel B. Steadman*

### Bonus Agreement

We have a bonus agreement with Mr. Steadman that provides for a one-time cash bonus within 15 days of a change of control of the company equal to the greater of the following:

(1) \$500,000; or

(2) the sum of (A) 100% of the total base salary (before deductions) paid to Mr. Steadman for the most recent fiscal year ended prior to the change of control, (B) 100% of the prior year's bonus, and (C) a pro rata portion of the prior year's bonus, provided at least such amount has been accrued by us as a bonus for Mr. Steadman in the fiscal year during which the change of control occurs.

The remainder of the terms of the bonus agreement with Mr. Steadman are the same as the terms of the bonus agreement with Ms. Nilsen, which are described above under the description of payments to Ms. Nilsen.

### Restricted Stock Unit Award Agreements

We also have restricted stock unit award agreements with Mr. Steadman on the same terms as the restricted stock unit award agreements with Mr. Hennessy, which are described above under the description of payments to Mr. Hennessy.

**PROPOSAL 2:  
ADVISORY VOTE ON EXECUTIVE COMPENSATION**

*The board recommends a vote “**FOR**” the advisory resolution approving the compensation of the company’s executive officers as described in this proxy statement.*

Our board of directors is committed to and recognizes the importance of responsible executive compensation practices. As discussed above, we have designed our executive compensation program to attract, motivate, reward, and retain senior management as required to achieve our corporate objectives and to increase long term shareholder value.

As required by Section 14A of the Exchange Act, we are asking our shareholders to indicate their approval of the compensation of our executive officers, as disclosed in this proxy statement. This advisory vote is non-binding and is not intended to address any specific item of compensation, but rather the overall compensation of our executive officers. Because this is an advisory vote, the results will not be binding on our board of directors or the company. However, our board of directors and the compensation committee will review and consider the outcome of the advisory vote when making future compensation decisions for our executive officers as it considers appropriate. We currently conduct an advisory vote on executive compensation every three years and therefore expect to conduct the next advisory vote at the 2026 annual meeting of shareholders. The following resolution is submitted for a shareholder vote at the 2023 annual meeting of shareholders:

RESOLVED, that the shareholders approve, on an advisory basis, the compensation of the company’s executive officers as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission in the company’s proxy statement for the 2023 annual meeting of shareholders.

To assist shareholders in this non-binding advisory vote, below is a brief summary that describes the key fundamental aspects of our executive compensation program. In addition to reviewing the summary below, we encourage you to carefully review the information on our compensation policies and decisions regarding our executive officers presented above.

As previously discussed, we believe our executive compensation program is designed to retain our executive officers and align their interests with those of our shareholders by rewarding performance. The following are key factors relating to our executive compensation program:

- In 2022, nearly 60% of the compensation paid to our executive officers was in the form of cash incentive and equity incentive awards.
- Our equity awards vest over a four-year period and encourage both retention and a focus on creating shareholder value over the long-term.
- Mr. Hennessy’s and Ms. Nilsen’s cash bonuses are directly related to our performance because their cash bonuses are equal to 6.5% and 3.5%, respectively, of our pre-tax profits for each fiscal quarter.
- The cash bonuses for our other executive officers are directly related to our performance because the cash bonuses are paid from a general bonus pool, the size of which is directly related to our level of pre-tax profits.



**PROPOSAL 3:  
RATIFICATION OF SELECTION OF  
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

*The board recommends a vote “**FOR**” the ratification of the selection of Marcum LLP as the independent registered public accounting firm for Hennessy Advisors for fiscal year 2023.*

The audit committee has selected Marcum LLP to audit the company’s financial statements for fiscal year 2023 and requests that the shareholders ratify such selection. If shareholders do not ratify the selection of Marcum LLP, the audit committee will reconsider the selection.

Representatives of Marcum LLP are expected to be present at the 2023 annual meeting of shareholders and will be accorded the opportunity to make a statement, if they so desire, and to respond to appropriate questions.

The following table provides information relating to the fees that Marcum LLP has billed to the company for the past two fiscal years.

	<b>Fiscal Year</b>	
	<b>2022</b>	<b>2021</b>
Audit Fees	\$211,653	\$189,943
Audit-Related Fees	-	-
Tax Fees	-	-
All Other Fees <sup>(1)</sup>	53,560	18,652
Total	\$265,213	\$208,595

<sup>(1)</sup> The amounts included in “All Other Fees” relate to fees that Marcum LLP billed the company in connection with the company’s Registration Statement on Form S-3 (\$14,261), Registration Statement on Form S-1 (\$27,051), and a comfort letter to underwriters (\$30,900).

All decisions regarding selection of independent accounting firms and approval of accounting services and fees are made by our audit committee in accordance with the Sarbanes-Oxley Act of 2002. Pursuant to the audit committee charter and applicable law, the audit committee preapproves all auditing services and permitted non-audit services to be performed for the company by Marcum LLP, subject to de minimus exceptions permitted by applicable law. The audit committee may also preapprove audit and permitted non-audit services pursuant to preapproval policies and procedures established by the audit committee as long as such policies and procedures are detailed as to the particular service and do not include delegation of the audit committee’s responsibilities to management. In accordance with this policy, the audit committee preapproved all services provided by the company’s independent accounting firm for fiscal year 2022.

## AUDIT COMMITTEE REPORT

Management is responsible for our internal controls and financial reporting process. Our independent registered public accounting firm is responsible for performing an independent audit of our financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). It is the audit committee's responsibility to monitor and oversee these processes.

In connection with these responsibilities, the audit committee met with management and representatives of the independent accounting firm to review and discuss the audited financial statements for fiscal year 2022. The audit committee also discussed with the independent accounting firm the matters required by Auditing Standard No. 1301. The audit committee also received written disclosures from the independent accounting firm mandated by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accounting firm's communications with the audit committee concerning independence, and the audit committee discussed with the independent accounting firm that firm's independence.

Based on the audit committee's discussions with management and representatives of the independent accounting firm, and the audit committee's review of the representations of management and the independent accounting firm, the audit committee recommended that the board of directors include the audited financial statements of Hennessy Advisors, Inc. in its annual report on Form 10-K for the fiscal year ended September 30, 2022, filed with the SEC.

Daniel G. Libarle, Chair  
Henry Hansel  
Thomas L. Seavey

*The preceding report shall not be deemed incorporated by reference by any general statement incorporating by reference this proxy statement into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent we specifically incorporate this information by reference, and shall not otherwise be deemed filed under the Securities Act of 1933 or the Securities Exchange Act of 1934.*

## ADDITIONAL INFORMATION

### **Deadlines for Submissions of Proxy Proposals, Proposals for Director Nominations or Other Business, and Recommendations for Potential Director Nominees**

#### *Proposals to Be Considered for Inclusion in the Company's Proxy Materials (Rule 14a-8)*

SEC regulations permit shareholders to submit proposals for inclusion in our proxy statement if the shareholder and the proposal meet the requirements specified in Rule 14a-8 under the Exchange Act. Any such shareholder proposals for the 2024 annual meeting of shareholders must be received at our principal executive offices no later than August 22, 2023 (which is 120 calendar days prior to the anniversary of the date we released this proxy statement to our shareholders).

#### *Proposals for Director Nominations or Other Business*

Apart from shareholder proposals pursuant to Rule 14a-8 under the Exchange Act, our bylaws require that any shareholder who intends to propose a director nomination or propose other business at an annual meeting must give advance written notice that contains certain required information to our corporate secretary.

We must receive the required written notice at our principal executive offices no later than 90 days, and no earlier than 120 days, before the first anniversary of the previous year's annual meeting. Accordingly, for the 2024 annual meeting of shareholders, written notice must be received by the corporate secretary between the close of business on October 12, 2023, and the close of business on November 11, 2023. Shareholders who intend to solicit proxies in support of director nominees other than the Company's nominees pursuant to the universal proxy rules must provide notice that sets forth the information required by Rule 14a-19 under the Exchange Act no later than November 11, 2023. However, as provided in our bylaws, different deadlines would apply if the 2024 annual meeting of shareholders were to be called for a date that is more than 30 days before or more than 70 days after the anniversary date of the 2023 annual meeting of shareholders.

Such notices must comply with the procedural and content requirements of our bylaws and the Exchange Act, as applicable. We will not entertain any proposals of director nominations or other business at the 2024 annual meeting of shareholders that do not meet the requirements set forth in our bylaws and the Exchange Act, as applicable. Further, if the shareholder making the proposal does not also comply with the requirements of Rule 14a-4(c)(2) under the Exchange Act, the individuals designated as proxy agents for such annual meeting may use their discretionary voting authority when and if the matter is raised at the annual meeting.

A copy of our bylaws specifying the advance notice requirements for proposing director nominations or other business has been filed with the SEC and is available at [www.sec.gov](http://www.sec.gov).

#### *Recommendations for Potential Director Nominees*

The nominating committee considers recommendations for potential director nominees from many sources, including members of the board, advisors, and shareholders. The nominating committee uses the same process to evaluate director nominees recommended by shareholders as it does to evaluate director nominees identified by other sources. To be a valid submission for recommendation to the nominating committee for a potential director nominee for the 2024 annual meeting of shareholders, the form of recommendation must be addressed to the nominating committee, be received at our principal executive offices no later than August 22, 2023 (which is 120 calendar days prior to the anniversary of the date on which we released this proxy statement to our shareholders), and include all of the same information that our bylaws require for any director nominations proposed to be presented at the annual meeting.

### *Address for Submissions*

Any submission described above must be made in writing to our corporate secretary, Teresa M. Nilsen, at Hennessy Advisors, Inc., 7250 Redwood Boulevard, Suite 200, Novato, CA 94945. In each case, the mailing envelope should contain a clear notation indicating that the enclosed letter is a “Proxy Proposal (Rule 14a-8),” “Notice of Nomination of Director or Other Business,” or “Shareholder Recommendation for Director.”

### **Communications with the Board of Directors**

Shareholders who wish to communicate with the board of directors or with a particular director may send a letter to our corporate secretary, Teresa M. Nilsen, at Hennessy Advisors, Inc., 7250 Redwood Boulevard, Suite 200, Novato, California 94945. The mailing envelope should contain a clear notation indicating that the enclosed letter is a “Shareholder-Board Communication” or “Shareholder-Director Communication.” All such letters should identify the author as a shareholder and clearly state whether the intended recipients are all members of the board or just certain specified individual directors. Our corporate secretary will make copies of all such letters and circulate them to the appropriate director or directors. Commercial advertisements or other forms of solicitation will not be forwarded.

### **Annual Report**

A copy of our annual report on Form 10-K for the fiscal year ended September 30, 2022, accompanies this proxy statement. The Form 10-K is posted on our website at [www.hennessyadvisors.com](http://www.hennessyadvisors.com). We will provide a copy of the Form 10-K without exhibits to each person who is a record or beneficial holder of shares of common stock on the record date for the annual meeting, and we will provide a copy of the exhibits without charge to any such person who submits a written request for it. Requests for copies of the Form 10-K or exhibits should be addressed to our corporate secretary, Teresa M. Nilsen, at Hennessy Advisors, Inc., 7250 Redwood Boulevard, Suite 200, Novato, California 94945.

### **Multiple Shareholders with the Same Address**

Pursuant to the rules of the Exchange Act, services that deliver our communications to shareholders that hold their stock through a broker may deliver a single copy of our annual report on Form 10-K and proxy statement to multiple shareholders who share the same address unless one or more of such shareholders have provided contrary instructions. This procedure, referred to as householding, reduces the volume of duplicate materials shareholders receive and reduces mailing expenses. You may revoke your consent to future householding mailings or may enroll in householding by contacting your broker. If you would like to receive a separate copy of this proxy statement and our annual report on Form 10-K for the fiscal year ended September 30, 2022, please submit a written request to our corporate secretary, Teresa M. Nilsen, at Hennessy Advisors, Inc., 7250 Redwood Boulevard, Suite 200, Novato, California 94945, or call 1-800-966-4354, and we will promptly deliver them to you.

### **Cost of Proxy Solicitation**

We bear the cost of soliciting proxies. We may reimburse brokers and other persons holding stock in their names for their expenses for sending proxy material to beneficial owners and obtaining their proxies. Our directors, officers, and other employees, without additional compensation, may solicit proxies in writing, by phone, by email, or otherwise.

## Other Matters

The board of directors does not know of any other matters to come before the annual meeting. However, if any other matters properly come before the annual meeting, the proxy agents intend to vote in accordance with their best judgment on such matters. If any other matter should come before the annual meeting, action on the matter will be approved if the number of votes cast in favor of the matter exceeds the number opposed.

**PLEASE SPECIFY YOUR CHOICES AND DATE, SIGN, AND RETURN THE ENCLOSED PROXY CARD IN THE ENCLOSED ENVELOPE, FOR WHICH POSTAGE HAS BEEN PROVIDED. YOUR PROMPT RESPONSE IS APPRECIATED.**

By Order of the Board of Directors,

A handwritten signature in black ink, appearing to read "Teresa M. Nilsen". The signature is fluid and cursive, with a large initial "T" and "N".

Teresa M. Nilsen  
President, Chief Operating Officer, and Secretary

December 20, 2022

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