KBI Fund Managers Limited

Remuneration Policy

10 March, 2021

Remuneration Policy

Introduction

KBI Fund Managers Limited (the " Company") is required to have remuneration policies and practices for those categories of staff (if any), including senior management, risk takers, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Company, that are consistent with and promote sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Company.

Remuneration Policy Framework

The purpose of the Company's remuneration policy is to seek to ensure that the remuneration arrangements of "identified staff" (within the meaning of ESMA's Guidelines on sound remuneration policies under the AIFMD):

(i) is consistent with and promotes sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile, rules or instruments of incorporation of the Company; and

(ii) is consistent with the Company's business strategy, objectives, values and interests and includes measures to avoid conflicts of interest.

The Company complies with those objectives by having a business model which by its nature does not promote excessive risk taking; by defining performance goals and objectives for employees of the Company's delegates which are aligned with the business; and by ensuring that the fixed salary element of those involved in relevant functions reflects the market rate.

Applicable Remuneration

The principles set out in this policy apply to remuneration of any type paid by the Company including carried interest, and to any transfer of units or shares of the Company, in certain circumstances and to certain persons prescribed in Annex II of the Directive.

The Company does not have any employees, accordingly, this remuneration policy applies only to categories of staff of the Investment Manager or any delegate performing portfolio management or risk management (to include management of sustainability risk taking, which is defined as an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of an investments in the Fund) whose professional activities have a material impact on the risk profile of the Company and its Funds (hereinafter referred to as "Identified Staff").

Portfolio/Risk Management Staff

The Company requires when delegating portfolio management (or any part thereof) and/or risk management activities, that:

(i) the entities to which such activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the ESMA Guidelines/Annex II of the Directive; or

(ii) appropriate contractual arrangements are put in place with entities to which such activities have been delegated in order to ensure that there is no circumvention of the remuneration rules set out in the ESMA Guidelines/Annex II of the Directive.

The remuneration of those engaged in the performance of the risk management function reflects the achievement of the objectives linked to the risk management function, independently of the performance of the business areas in which they are engaged**.**

In practice, the Company has delegated certain aspects of its portfolio management and risk management function to KBI Global Investors Limited. As a MIFID entity and regulated by the Central Bank, the Investment Manager has confirmed that it is subject to regulatory requirements on remuneration that are equally as effective as those applicable under the ESMA Guidelines/Annex II of the Directive.

The aggregate remuneration of identified staff of the Investment Manager is included in the funds annual financial statements.
The Investment Manager is required to inform the Board immediately where any material issues arise that may impact the Company's remuneration policies and practices.

Non-Executive Directors

The Non-Executive members of the Board of Directors of the Company receive a fixed fee only and do not receive performance-based remuneration, therefore, avoiding a potential conflict of interest. The basic fee of a Non-Executive Board member is set at a level that is on par with the rest of the market and reflects the qualifications and contribution required in view of the Company’s complexity, the extent of the responsibilities and the number of board meetings. No pension contributions are payable on Non-Executive Board members’ fees.

Taking the nature, scale and complexity of the Company into consideration, the Board of Directors believes that the approach to performance-based pay as outlined above is appropriate and reflects the risk profile, appetite and strategy of the Company.

Appointment and Role of the Remuneration Committee

Given the nature, scale and complexitiy of the Company's business, the Company has not established a remuneration committee.

Annual Review

This remuneration policy (together with compliance herewith) will be subject to an annual review by the Board. This review will ensure that:

– the overall remuneration system operates as intended;
– the remuneration pay-outs are appropriate;
– the risk profile, long term objectives and goals of the Company are adequately reflected; and
– the policy reflects best practice guidelines and regulatory requirements.

The Board will take appropriate measures to address any deficiencies.

Remuneration: Role of the Designated Person

In relation to remuneration, the role of the Designated Person for Capital & Financial Management **is to review the aggregate compensation levels of the identified staff of the Investment Manager to ensure same is consistent with the Company's remuneration policies and practices.**

The Designated Person will periodically monitor the implementation of the remuneration policies and practices established for the Company (at least annually).

Circumstances where action is required

Following a review of adherence to the Company's remuneration policies and procedures, action may be required if remuneration levels do not adhere to the principles set out therein or is at a level which is unacceptable or gives rise to conflicts of interest. The action to be taken may include possible revision of the level of remuneration payable to the individual(s) concerned.

The responsibility for determining action to be taken and for taking action lies with the Designated Person. Material issues will be escalated to the Board for determination.