

REMUNERATION POLICY

Waystone Management Company (IE) Limited (“WMC”)

Waystone Management Company (IE) Limited – Luxembourg Branch (the “Lux Branch”)

1. Background

Waystone Management Company (IE) Limited’s (“WMC”) (previously DMS Investment Management Services (Europe) Limited) is authorised by the Central Bank of Ireland (the “Central Bank”) as an AIFM and UCITS Management Company to manage AIFs and UCITS Funds (collectively “Managed Funds” except where directly referenced as “AIFs” and “UCITS Funds”. Pursuant to the AIFMD and UCITS Regulations, WMC has established a Branch in Luxembourg (the “Lux Branch”) to manage Luxembourg domiciled Funds. For the purposes of this policy, WMC and the Lux Branch shall be collectively referred to as “the Manco”

2. Introduction

This Policy has been drafted in accordance with Regulation 14 and Schedule II of the European Union Alternative Investment Fund Managers Regulations, 2013 (the “AIFM Regulations”) and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended, consolidated or replaced from time to time (the “UCITS Regulations”) (collectively, both the AIFM Regulations and UCITS Regulations will be referred to herein as the “Regulations”). This Policy has also been drafted in accordance with:

- the European Securities Markets Authority (“ESMA”) Guidelines on Sound Remuneration Policies under the AIFMD (ESMA/2013/232) (the “ESMA AIFMD Guidelines”),
- the ESMA Guidelines on Sound Remuneration Policies under the UCITS Directive (ESMA/2016/575) (the “ESMA UCITS Guidelines”), and
- Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector and regulatory guidance published by relevant authorities thereon,

collectively referred to herein as the “Remuneration Requirements”

In accordance with the Fund Management Company Guidance, the Remuneration Policy sits under the oversight of the Designated Person for Regulatory Compliance (the “Designated Person”).

3. Objectives

The objective of this Policy is to ensure the Manco has established, implemented and maintained a framework that is relevant, effective and compliant with current applicable regulations and guidance taking into account the size, nature and complexity of the business activities undertaken by the Manco. This Policy also ensures that the Manco maintains and applies a sound and prudent remuneration process, which identifies and manages any conflicts of interest, promotes sound and effective risk management (including sustainability risk aspects) and does not encourage risk taking which is inconsistent with the risk profile of the Manco or the risk profiles and rules of the managed Funds. Additionally, the Policy is designed to ensure that variable remuneration is not paid through vehicles or by the application of methods which are designed to circumvent the ESMA Guidelines.

This Remuneration Policy applies to all employees of the Manco.

4. Policy

This Policy reflects the Manco’s objectives to ensure good corporate governance and alignment of the long-term interests of the Manco, its Staff Members, and its clients. Additionally, the Policy is designed to ensure that:

- The Manco is able to attract, develop and retain high-performing and motivated Staff Members in a competitive, international market;
- Staff Members are offered a competitive remuneration package; and

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- Staff Members feel encouraged to create sustainable results in line with the long-term interests of the Manco and its clients.

This Policy focuses on promoting sound and effective risk management through a stringent governance structure of setting goals and communicating these goals to employees, incorporating measures to avoid conflicts of interest, including both financial and non-financial goals in performance targets and result assessments and, making non non-performance related remuneration the main remuneration component and neither encouraging risk taking that is inconsistent with the risk profiles and constitutional documents of the Fund nor impair compliance with the ability of the Manco to act in the best interests of the Fund.

This Policy is in line with the business strategy, objectives, values and interests of the Manco and the Managed Funds and where relevant, the investors of such Managed Funds, and includes measures to avoid conflicts of interest.

The Policy is to pay all Identified Staff (as defined below in the section headed “Identified Staff”) a fixed component representing a sufficiently high proportion of the total remuneration of the individual to allow the Manco to operate a fully flexible policy, with the possibility of not paying any variable component of remuneration. Where any variable remuneration is paid to Identified Staff, the related provisions of the Policy as outlined below will apply.

Basis of application of ESMA Guidelines

The ESMA Guidelines relating to governance, the remuneration committee (if applicable) and transparency, and certain of the risk-alignment guidelines, apply to all employees of the Manco.

The risk alignment guidelines apply only to Identified Staff, being those categories of staff whose professional activities have a material impact on the risk profile of the Manco or the Managed Funds.

Definition of Remuneration

In relation to this Policy remuneration consists of:

- all forms of payments, fixed and variable remuneration or benefits, of any type, paid by the Manco in exchange for professional services rendered by Identified Staff;
- any amount paid to a Staff Member or employee by any of the Managed Funds, including where relevant performance fees or carried interest, except where the payment is in relation to a return on investment linked to the Staff Member’s holding in the Managed Funds;
- any transfer of units or shares of a Managed Fund (with the exception of transactions in relation to the Staff Member’s holding in that Managed Fund which are performed at arm’s length);
- other forms of compensation e.g. pension contributions and non-monetary benefits which are not available to all Staff as part of a non-discretionary remuneration package;

in exchange for professional services rendered by the Identified Staff.

With the exception of the reimbursement of costs and expenses, any amounts paid by a Managed Fund to the Manco for the benefit of an Identified Staff member for performance of professional services will also be

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considered remuneration for the purposes of this Policy. In general, it is not anticipated that any such fees would be payable by a Managed Fund.

Dividends paid to Waystone (Ireland) Limited as the sole shareholder of the Manco are not considered remuneration for these purposes to the extent that such payments do not facilitate any circumvention of the Remuneration Requirements.

An investment by a member of Identified Staff into a Managed Fund must be represented by an actual cash disbursement, and the Manco will not grant loans to any Staff Member for this purpose. If a loan was to be provided the entire investment and any related profit would be considered to be a form of remuneration. Any investment by Staff into a Managed Fund must be approved in advance by the Compliance Officer and recorded in the Personal Account Dealing Register and monitored accordingly.

Consideration of contractual arrangements with third parties

When appointing agents or service providers external to the Manco, due consideration is given to ensuring that none of the Identified Staff have any material interest or are in any way linked to such third parties. Where such a link or interest is identified, the Board will review the arrangements to ensure that they are not incompatible with the Remuneration Requirements or could be seen to be evading the ESMA Guidelines in relation to Remuneration Requirements.

General Policy

The Manco does not impose a limit with regard to variable versus fixed compensation. The Manco’s policy is to pay all Identified Staff a fixed component representing a sufficiently high proportion of the total remuneration of the individual to allow the Manco to operate a fully flexible policy, with the possibility of not paying any variable component.

In general, given the nature of the business model, the Manco’s employees will not receive any variable remuneration directly linked to the investment performance of any or all the Managed Funds. However, in certain specific circumstances this model may be amended by the Board.

Where the Manco pays performance related remuneration to Identified Staff, the Board will ensure that the following is applied as appropriate:

- (a) the total variable remuneration is based on a combination of the assessment of the performance of the individual and of the business unit or the relevant Managed Fund, and where relevant their risks, and of the overall results of the Manco. When assessing individual performance, financial as well as non-financial criteria are taken into account in accordance with the Staff Goal Setting and Appraisal process;
- (b) to the extent that it might apply, the element of remuneration linked to the performance of a Managed Fund that is an AIF is set in a multi-year framework appropriate to the life-cycle of the relevant AIF. Thus ensuring that the assessment process is based on longer term performance and that the actual payment of the performance-based components is spread over a period which takes account of the performance fee calculation and realisation period, the redemption policy and investment risks of the relevant AIF (as set out in the fund documentation for the relevant AIF);

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- (c) to the extent that it might apply, the element of remuneration linked to the performance of a Managed Fund that is a UCITS is set in a multi-year framework appropriate to the holding period recommended to the investors of that UCITS Fund. Thus ensuring that the assessment process is based on the longer term performance of the UCITS Fund and that the actual payment of the performance-based components is spread over the same period;
- (d) no guaranteed variable remuneration will be paid except in an exceptional case in the context of hiring new staff and will be limited to the first year;
- (d) any payments made in relation to the early termination of a contract will reflect performance achieved over time and will be designed in such a way that the payment does not reward failure;
- (f) the measurement of performance used to calculate variable remuneration components or pools of variable remuneration components includes a comprehensive adjustment mechanism to integrate all relevant types of current and future risks;
- (g) any pension benefits provided by the Manco to its staff shall be in line with the business strategy, objectives, values and long-term interests of the Manco and the relevant Managed Fund. Such benefits shall be structured in accordance with standard practice within the industry. If a member of Identified Staff leaves the Manco before retirement, discretionary pension benefits may be held by the Manco for a period of five years in the form of instruments (comprising shares or units in a Managed Fund or equivalent ownership interests, or share-linked instruments or equivalent non-cash instruments). In the case of a Staff Member reaching retirement, discretionary pension benefits shall be paid to the Staff Member in the form of instruments referred to in this paragraph (g), subject to a five year retention period;
- (h) Staff Members are required to undertake not to use personal hedging strategies or remuneration and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements; and
- (i) variable remuneration will not be paid through vehicles or methods that facilitate the avoidance of the Remuneration Requirements of the Regulations.

Identified Staff

Identified Staff are described in the ESMA Regulations as “categories of staff, including senior management, risk takers, control functions and any employee 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 profile of the Manco or the risk profiles of the Funds that it manages and categories of staff of the entity(ies) to which portfolio management or risk management activities have been delegated by the AIFM, whose professional activities have a material impact on the risk profiles of the AIF that the AIFM manages.” ESMA Guidance provides further clarification as to Identified Staff and the Manco shall ensure that all appropriate employees are correctly identified for the purposes of this Policy.

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Currently, Identified Staff whose compensation falls under the provisions of the ESMA Guidelines and therefore this Remuneration Policy include:

- all members of the governing body of the Manco (i.e. the Directors);
- the Compliance Officer;
- the Designated Person with responsibility for Investment Management;
- the Designated Person with responsibility for Operational Risk Management; and
- the Chief Risk Officer.

Where the Investment Management Function is performed by the Manco itself, additional members of the Investment Management Function shall also be categorised as Identified Staff, where required and appropriate.

Disapplication of certain provisions of the ESMA Guidelines

In accordance with the proportionality provisions and of the Regulations, together with the risk profile, appetite and risk strategy of the Manco and each of its Managed Funds, taking into account a non-exhaustive combination of its size, nature and the, scope and complexity of its activities, together with any other relevant criteria and within the limits of the ESMA Guidelines, the Board has dis-applied the following requirements of the ESMA Regulations and the Guidelines in relation to the following:

- variable remuneration in instruments;
- retention;
- deferral;
- ex post incorporation of risk for variable remuneration (together, with the immediately foregoing bullets points, the Pay-out Process Rules); and
- the requirement to establish a remuneration committee.

With regard to the ESMA UCITS Guidelines, the Board notes that these guidelines (unlike the ESMA AIFMD Guidelines) do not offer any guidance as to whether the application of the proportionality principle may enable management companies such as the Manco to dis-apply the specific requirements above, however, in a letter to the European Union law-making institutions published alongside the ESMA UCITS Guidelines (the “ESMA Letter”), ESMA set out its view that it should be possible to dis-apply the requirements relating to the pay-out process under specific circumstances and that it should also be possible to apply lower thresholds whenever minimum quantitative thresholds are set for the pay-out requirements. In the absence of legislative amendment at European level, or clarification at member state level, the Manco has made its own assessment as to the application of the proportionality principle and in doing so has deemed it appropriate to have regard to ESMA’s views in the ESMA Letter regarding the circumstances in which the principle of proportionality may be relied upon.

The Board is satisfied that proportionality may be applied on the following basis:

Size:

At the time of the most recent Remuneration Policy review (December 2020) the Company had assets under management of €18.2 billion and 45 full time employees which is above the FCA indicative threshold. The Board however concluded that taking all other factors detailed below into account it is appropriate to continue to dis-apply certain provisions of the ESMA Remuneration Requirements as disclosed in the Programme of Activity or Business Plan (where relevant) of the Manco (the “Dis-Applied Rules”).

Internal Organisation:

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The Manco is structured as a private limited company and there are no plans to have it listed on any regulated market or exchange. The Manco is authorised as an alternative investment fund manager pursuant to the AIFM Regulations and as a UCITS management company pursuant to the UCITS Regulations. The Manco currently has 42 direct employees, other than the Directors of the Manco, with services provided by other Waystone Group entities.

Nature, scope and complexity of the activities:

Day to day portfolio management activity in respect of each Managed Fund is for the main part delegated to appropriately qualified third-party investment managers (the “Investment Managers”). Where the portfolio management is retained, an appropriately experienced Investment Advisor is appointed with the trade execution, settlement and middle and back office activities being performed by the Manco under the oversight of the Chief Investment Officer and Investment Committee. Refer to the section below on delegation of portfolio management.

In the interests of clarity, the Board has determined not to include within this Policy a detailed policy statement in relation to the requirements which have been disapplied. This Policy will be updated as and when the relevant sections become applicable.

This determination to disapply certain requirements in accordance with the proportionality provisions of the ESMA guidelines will be reviewed regularly by the Board and at a minimum on an annual basis as part of the overall Policy review. Should there be a material change to any of the parameters noted above this will be a trigger for the Board to reconsider the disapplication of certain provisions.

Group Remuneration Committee:

The Waystone Group has established a Remuneration Committee at the TopCo level, which is responsible for setting remuneration for all Executive Directors and the Waystone Group Executive team, and also reviews the remuneration of all Waystone Group employees. Given the presence of the Remuneration Committee at the level of ultimate parent of the Company, and given that the Company is not currently sufficiently significant in terms of its size, internal organisation or the nature, scope and the complexity of its activities, the Board does not consider it necessary at this time to establish an independent remuneration committee at the level of the Company for the purposes of the ESMA Guidelines.

Remuneration of the Board

The fixed fee of the independent Directors of the Board is commercially negotiated. Members of the Board who are employees of the Waystone Group have permanently waived their right to receive any fee (either fixed or variable) for acting as a Director of the Manco.

Remuneration of Risk and Compliance

The remuneration of the Chief Risk Officer and the Compliance Officer and any other control functions reflects the achievement of the objectives linked to their respective functions and is done so independently of the overall performance of the business and/or of any Managed Fund.

The remuneration of the duly appointed Chief Risk Officer and the Compliance Officer is overseen by the Designated Person, and ultimately the Board.

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Remuneration of Employees

Performance and Appraisal Review

- Each employee has an annual performance and appraisal review with their line manager and a less formal half year performance review.
- During this review the line manager evaluates and documents performance in relation to the goals established at the start of the year/commencement of employment. The evaluation and related comments are agreed between the line manager and the employee at this meeting or at a subsequent meeting if required. The employee and line manager work together to agree and document new goals for the coming year. Such goals are a combination of financial and non-financial goals focusing on the development and career path of the employee.
- All matters related to each employee’s appraisal are made available to and reviewed by the Managing Director of the Manco.
- Any decisions on adjustment of the employee’s non-performance related or performance related remuneration are made on the basis of this meeting by way of a proposal issued by the Managing Director of the Manco to the Waystone Group HR Team. Amendments to remuneration and any performance related remuneration is reviewed and approved at Waystone Group level.

Remuneration when delegating portfolio management and risk management activities

In accordance with paragraph 18 of Section III of the ESMA AIFMD Guidelines and paragraph 16 of Section 5 of the ESMA UCITS Guidelines, when delegating certain portfolio management and certain risk management activities to the duly appointed Investment Managers in accordance with Regulation 21 of the Regulations, the Manco will ensure that:

- the entities to which the portfolio management and risk management activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the Remuneration Requirements (e.g. where relevant, the entity and its identified staff are subject to AIFMD, the UCITS Directive, MiFID or CRD); or
- appropriate contractual arrangements are put in place in order to ensure that there is no circumvention of the applicable Remuneration Requirements; these contractual arrangements cover any payments made to the delegates’ Identified Staff as compensation for the performance of portfolio or risk management activities on behalf of the Manco, and the Funds they manage on behalf of the Manco under the terms of the relevant delegation agreement. These arrangements may also include applying an appropriate remuneration policy at the level of an individual Fund.

The Board requires the Investment Manager of a Managed Fund to provide them with an annual confirmation that its remuneration policies and practices are in line with the applicable and relevant Remuneration Requirements.

The on-boarding and annual review of the Investment Managers, in accordance with the Supervision of Delegates Policy of the Manco, includes an action to review the remuneration policy and/or related contractual arrangements as applicable of the Investment Managers.

Proportionality in relation to Delegated Service Providers

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The Manco notes that the variable remuneration instruments requirement of the EMSA AIFMD Guidelines do not apply where the Managed Funds that are AIFs in question comprise less than 50% of the Manco’s total assets under management. As such, the Manco considers that such a requirement should not apply in the case of an affected Investment Manager delegate where the AIFs to which it has been appointed account for less than 50% of the affected Investment Manager delegate’s assets under management (the “Affected Investment Manager Delegate”).

The Manco notes that the variable remuneration instruments requirement of the ESMA Guidelines does not apply where the Managed Fund that is a UCITS Fund in question comprises less than 50% of the Manco’s total assets under management (as a UCITS management company or AIFM). As such, the Manco considers that such a requirement should not apply in the case of an Affected Investment Manager Delegate where the Managed Fund to which it has been appointed accounts for less than 50% of the Affected Investment Manager Delegate’s assets under management (comprised of UCITS Funds or AIFs).

Where permitted under the Regulations and having regard to the ESMA Guidelines, the Manco intends to adopt a similar approach to the application of the principle of proportionality to its Affected Investment Manager Delegates as it does to the remuneration of its own Identified Staff.

Factors which the Board takes into account when considering whether the Pay-out Process Rules and the requirement to establish a remuneration committee may be disapplied in relation to an Affected Investment Manager Delegate on the ground of proportionality will include the number of staff employed, the number of funds managed and strategies used, whether the Affected Investment Manager Delegate is listed, traded or owned by its partners, the nature of certain fee structures, such as carried interest and performance fees and the nature of the delegation arrangements between the Manco and the Affected Investment Manager Delegate.

In general, the Board is satisfied that there will be a working presumption that proportionality may be applied to an Affected Investment Manager Delegate where the majority of the following conditions are met or in circumstances, not outlined below, where there are other substantive reasons why proportionality should be applied:

- the Affected Investment Manager Delegate is a relatively small organisation, typically having fewer than 50 staff, having no subsidiaries and no branches;
- it is not a listed entity and in the case of a partnership is majority owned by its partners;
- its activities are primarily third party investment management and distribution of collective investment schemes;
- its assets under management are less than € 1.25 billion;
- the risk profiles of the Managed Funds under management by the Affected Investment Manager Delegate are relatively low. Such risk profiles to consider the investment strategy, liquidity, ease of valuation, diversification and other related parameters; and
- in the case of Affected Investment Managers the assets of the Managed Funds (to which the Affected Investment Portfolio Manager Delegate is to be appointed) in the twelve months following its launch are anticipated to comprise less than 50% of the assets under management by the Affected Investment Manager Delegate.

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5. Monitoring and Oversight

Independent Internal Review of Policy

This Policy is reviewed on an annual basis by the Compliance Function, the Designated Person and by the Board. The Policy will not be subject to an independent external review, and the Board does not anticipate that the Manco will be of significant size by the end of 2021 to warrant the establishment of a Manco specific Remuneration Committee.

The Designated Person can request any remuneration information from the Manco in order to fulfil his responsibilities as Designated Person.

The objectives of the independent internal review by the Designated Person are to ensure that:

1. the overall remuneration system operates as outlined in this Policy;
2. all agreed plans/programs are covered by this Policy;
3. the remuneration pay-outs are appropriate;
4. the risk profile, long term objectives and goals of the Manco and each of the Managed Funds are adequately reflected therein; and
5. the Policy is compliant with relevant and applicable national and international regulations, principles and standards.

Compliance Review

The compliance function of Manco (the “Compliance Function”) monitors the Remuneration Policy on an on-going basis and at least once a year, and submits a report on the Remuneration Policy to the Board for their review and consideration.

Internal Audit Review

The Internal Audit function includes the Manco in their schedule of review and as part of each review perform an independent review of this Policy and provide the results of this review to the Board.

Staff Members of the Internal Audit function are remunerated in accordance with the remuneration policy and achievement of the objectives of the Internal Audit function, independently of the performance of the business areas of that they oversee, including the operations of the Manco.

Designated Person and Board review

- The Board (led by the Chair in his capacity as the Designated Person) assesses whether the Policy is operating as intended and is compliant with relevant and applicable national and international regulations, principles and standards.
- The Board considers the reviews and proposals of the Compliance Function and the Internal Audit function.
- Any recommended adjustments to this Policy will also be submitted for consideration by the Designated Person and the Board.
- The Chair, who is an independent non-executive director as well as the Designated Person, will always be in the Chair when the Board is discussing remuneration issues.

6. Remuneration Disclosures

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Prospectus and Key Investor Information Documents (for UCITS Funds only)

The prospectus of each UCITS Fund that is a Managed Fund can include either:

- a. The details of the up-to-date Policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identities of persons responsible for awarding the remuneration and benefits including the composition of the remuneration committee, where such committee exists; or
- b. A summary of the Policy and a statement to the effect that the details of the up-to-date Policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee where it exists, are available on the Waystone group website and that a paper copy will be made available free of charge upon request.

The default disclosure by the Manco will be option b. above i.e. that the key investor information document of each UCITS Fund will include a statement to the effect that the details of the up-to-date Policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee where it exists, are available on the Waystone group website and that a paper copy will be made available free of charge upon request.

Annual Financial Statements (for UCITS Funds only)

The Manco ensures that each Managed Fund which is a UCITS Fund includes the following disclosures:

- a. the total amount of remuneration for the financial year, split into fixed and variable remuneration, paid by the Manco and by the Managed Fund to the staff of the Manco, and the number of beneficiaries, and, where relevant, any amount paid directly by the Managed Fund itself, including any performance fee.
- b. the aggregate amount of remuneration broken down by categories of employees or other members of staff who are Identified Staff.
- c. a description of how the remuneration and the benefits have been calculated.
- d. the outcome, including any irregularities that have occurred, of the reviews of the general principles of the Policy by the Board and their implementation and the annual central and independent internal review by the Compliance Function and the Internal Audit function to ensure compliance with the Policy and the procedures emanating from same.
- e. material changes to the Policy.

Where an exemption is claimed from the above disclosure, the Manco will ensure the exemption is in accordance with the Guidelines.

Annual Financial Statements (for AIFs only)

In accordance with the transparency requirements outlined in Article 22 of the AIFMD, the Manco ensures that each Managed Fund that is an AIF produces and files annual audited financial statements with the appropriate supervisory authority. Where appropriate, given the size and nature of the AIF and the impact to the Investment Manager’s revenue streams of the income from the AIF, the Manco will ensure that the financial statements include the following disclosures in relation to remuneration paid by the Manco:

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- a. The total amount of remuneration for the financial year, split into fixed and variable remuneration, paid by the Manco to its staff, and the number of beneficiaries, and, where relevant, carried interest paid by the AIF;
- b. The aggregate amount of remuneration broken down by senior management and members of staff of the Manco whose actions have a material impact on the risk profiles of the AIF.
- c. Where an exemption is claimed from the above disclosure the Manco will ensure the exemption is in accordance with the ESMA AIFMD Guidelines.

Internal disclosure

The Policy is stored on the Waystone intranet and is accessible to employees and discloses at least the details that are disclosed externally so as to allow employees to know in advance the criteria that are used to determine their remuneration. Furthermore, the appraisal process is properly documented and is transparent to the Staff Member concerned. Confidential quantitative aspects of the remuneration of employees are not subject to internal disclosure.

7. Exceptions and Reporting

Exceptions

The Board may deviate from this Remuneration Policy in individual cases if justified by exceptional circumstances. The Designated Person and the Board shall carefully consider and monitor the effects of any such deviation, such considerations, conclusions and agreed actions to be duly documented in meeting minutes or other appropriate form. In the case of a newly appointed/recruited employee who falls within the definition of Identified Staff, the Managing Director of the Manco, in conjunction with the Designated Person and the Compliance Function, will ensure that the terms offered to such new Staff Member are consistent with this Policy.

Where the terms offered by the Manco to such an employee are not in compliance with this Policy (while being in compliance with the Remuneration Requirements), the offer of such terms will be subject to the prior approval of the Designated Person and the Board, such approval will be appropriately documented.

Exception Reporting

The duly appointed Investment Managers are required to notify the Designated Person and/or the Board should any material issues arise in relation to the Investment Manager's remuneration policies and practices which could impact the relevant Managed Fund.

Circumstances where Action is Required

If, following an annual or other review of the levels of adherence to this Policy, it transpires that the Manco is not fully compliant with the principles set out therein, corrective action may be required. Such corrective action may include revision of the level of remuneration payable to the Staff Member concerned.

If a review of this Policy identifies any non-compliance with the ESMA Guidelines or the Remuneration Requirements, a re-statement of this Policy may be the appropriate course of action. Any such re-statement will be subject to the prior approval of the Designated Person and the Board.

Where any other issue arises in relation to the Manco's remuneration policies and this Policy and the practices and procedures arising therefrom, the Designated Person will either table the matter for discussion at the next

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quarterly board meeting of the Manco or, where the issue is material or time sensitive, follow the Manco’s Escalation Procedures.

8. Record Keeping

Remuneration Policies of the Manco and any Investment Manager, all Compliance Function reviews and internal independent reviews of remuneration by the Manco, and any discussion items are stored in the Manco engagement in the Waystone Tracker System (Salesforce) or documented by the Company Secretary of the Manco in the appropriate minutes where discussed at a meeting of the Board and saved in the Manco files maintained by the Company Secretary.

9. Review and Update

The implementation of this Policy is reviewed, periodically but at least annually by the Board and is subject to central and independent annual review by the Compliance Function, the Designated Person, and by the Internal Audit function. The Policy will also be reviewed as and when a change to the business model necessitates or in the event of an amendment to the Regulations, and updated as required.