PVE UCITS Funds plc (the "Company") Remuneration Policy

REMUNERATION POLICY

1 INTRODUCTION

The Company has been authorised by the Central Bank of Ireland (the "**Central Bank**") as a self-managed UCITS management company pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011), as amended, consolidated or substituted from time to time (the "**UCITS Regulations**").

The Company has prepared this Remuneration Policy (the "**Remuneration Policy**") to outline how it adheres to the remuneration requirements set out in the UCITS Regulations. The purpose of this Remuneration Policy is to provide a clear direction and policy regarding the Company's remuneration policies and practices consistent with the principles in the UCITS Regulations.

The board of directors of the Company (the "**Board**") recognise the important role played by sound risk management in protecting its stakeholders. Moreover, the Board acknowledges that inappropriate remuneration structures could, in certain circumstances, result in situations whereby individuals assume more risk on the relevant institution's behalf than they would have done had they not been remunerated in this way.

In addition to ensuring that this Remuneration Policy aligns the risk taking behaviour of staff with the Company's risk appetite, the remuneration policy is designed to ensure that the Company is able to attract, retain and motivate highly qualified staff in order to produce long term value creation for shareholders.

In preparing this Remuneration Policy, the Company has taken into account the nature, scale and complexity of its business. In determining the range of activities to be undertaken by the Company, the Company has given due consideration to the sub-funds within the Company (each a "**Fund**", together the "**Funds**"), the type of investments, the investment strategies, the investment location, the distribution model and the investor base. Due consideration has also been given to the resources available to the Company and the resources and expertise of the various third parties engaged to support the Company and carry out certain functions on its behalf.

2 SCOPE OF REMUNERATION

Remuneration consists of all forms of payments or benefits made directly by, or indirectly, but on behalf of the Company, in exchange for professional services rendered by staff. This shall include, where appropriate:

(i) all forms of payments or benefits paid by the Company;

(ii) any amount paid by a Fund including any portion of performance fees; and

(iii) any transfer of shares of a Fund;

(iv) in exchange for professional services rendered by the Identified Staff (as defined in section 4 below).

For the purpose of item (ii) above, whenever payments, excluding reimbursements of costs and expenses, are made directly by the Funds to the Company for the benefit of the relevant categories of Identified Staff for professional services rendered, which may otherwise result in a circumvention of the relevant remuneration rules, they shall be considered remuneration for the purpose of this Remuneration Policy.

Fixed remuneration means payments or benefits without consideration of any performance criteria.

Variable remuneration means additional payments or benefits depending on performance or, in certain cases, other contractual criteria.

3 IDENTIFIED STAFF

The provisions of this Remuneration Policy only apply only to "**Identified Staff**". Pursuant to the term as defined in the European Securities and Market Authority ("**ESMA**") guidelines on sound remuneration policies under the UCITS Directive, applicable from 1 January 2017 (ESMA/2016/575) (the "**Guidelines**"), Identified Staff are staff members who have a material impact on the Company's risk profile.

The following categories of staff, unless it is demonstrated that they have no material impact on the Company's risk profile, should be included as the Identified Staff:

- directors; and/or
- senior management;
- staff responsible for Control Functions (as defined in the Guidelines);
- other risk takers – being staff members who acting individually or as part of a group can exert material influence on the Company's risk profile;
- staff responsible for heading the investment management, administration, marketing, human resources;
- staff whose remuneration takes them into the same bracket as senior managers and risk takers but who don't fall into one of the categories above must be assessed to determine whether they have a material impact on the risk profile of the Company.

The Company holds a list of Identified Staff. The list is reviewed annually and any new staff will be considered for inclusion on this list when they are hired or if their role changes. It will be the responsibility of the Chairman of the Board to make recommendations to the Board to include new staff on this list. The list will be reviewed by the Board on an annual basis

4 REMUNERATION PROCESS AND PRINCIPLES

4.1 Remuneration

The Company is mindful of the need to ensure that the basic pay of staff is adequate to remunerate the professional services rendered taking into account, inter alia, the level of education, the degree of seniority, the level and expertise and skills required. The Company is a self-managed UCITS and its revenues are based on a percentage of the value of securities held in the Company and its revenues may be more volatile than other types of businesses. All directors are paid a flat fixed fee.

4.2 Remuneration principles – in compliance with UCITS requirements

When establishing and applying the total remuneration for Identified Staff, the Company will comply with the following general principles and to the extent appropriate take into account its size, internal organisation and the nature, scope and complexity of its activities.

5 SCOPE OF THE REMUNERATION POLICY AND APPLICATION OF THE PRINCIPLES

5.1 Delegates

The Company has the facility to appoint delegates to carry out investment management functions (including risk management) on its behalf.

In accordance with the Guidelines, where the UCITS remuneration rules would otherwise be circumvented, the Company will seek to ensure that affected delegates (i.e. those entities to which investment activities have been delegated) are subject to regulatory requirements on remuneration that are "*equally as effective*" as those applicable under the Guidelines or that appropriate contractual agreements are in place to ensure that the delegation arrangements do not circumvent the remuneration requirements contained in the Guidelines.

It is noted that in certain confined circumstances it may be determined that the scope of the mandate granted to a particular delegate is such that no staff of the delegate will constitute Identified Staff for the purposes of this Remuneration Policy, i.e. have the capacity to carry out their professional activities under the delegation arrangement in a manner which could have a material impact on the risk profile of the relevant UCITS. This could be the case where the Company retains a sufficient degree of control and supervision over the activities of the delegate and restricts the discretionary nature of their activities (for example, through the application of detailed contractual restrictions set by the Company which tightly constrain how the delegate may discharge its delegated functions).

5.2 Proportionality

In the absence of further guidance or legal clarification from the European Commission, ESMA or the Central Bank, it is noted by the Company that an applicable delegate may determine to disapply the principles outlined in the "**Applicable UCITS Regulations**" (i.e. the UCITS Directive[1], the UCITS Regulations and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 as amended, consolidated or substituted from time to time) respectively on the grounds of proportionality - based on the proportionality criteria outlined in the Guidelines on (i) size, (ii) internal organisation and (iii) nature, scope and complexity of the relevant delegate's business.

Factors that the relevant delegate may consider in arriving at such a conclusion may include the size of the delegate's balance sheet, the proportionate value of UCITS assets managed relative to non-UCITS assets managed (and resultant UCITS/non-UCITS revenue generated) and therefore whether the UCITS assets managed by the relevant delegate are not "*potentially systemically important (e.g. in terms of total assets under management)*"[2].

In respect of the Company itself, the Board finds that it is not necessary to consider further the proportionality provisions as it will not wish to disapply the principles outlined in the pay-out process rules set out in the Applicable UCITS Regulations to the Company's Identified Staff.

This approach will be reviewed and reassessed, as necessary for subsequent financial periods following the issuance of any further regulatory guidance or legal clarification that conflicts with this current position.

5.3 "Equally as Effective" Regimes

Pursuant to the Guidelines, the UCITS remuneration principles are not required to be applied to delegates performing investment management functions when such delegates are subject to regulatory requirements on remuneration that are "*equally as effective*" as the UCITS remuneration principles.

It is noted that the Guidelines provide that entities that are subject to the remuneration rules under CRD IV (Directive 2013/36/EU) can be considered to meet this condition.

The investment Manager, as a MiFID authorised firm, is subject to “equally as effective” regulation requirements on remuneration as the UCITS remuneration principles.

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[1] Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards depositary functions, remuneration policies and sanctions

[2] Paragraph 25 of the Guidelines; guidance on the "size" criteria for proportionality purposes.

This approach will be reviewed and reassessed, as necessary for subsequent financial periods following the issuance of any further regulatory guidance or legal clarification that conflicts with this current position.

6 ABSENCE OF A REMUNERATION COMMITTEE

It is noted that the requirement for a UCITS to establish a remuneration committee (pursuant to Article 14b(4) of the UCITS Directive) applies to UCITS *"that are significant in terms of their size … their internal organisation and the nature, the scope and the complexity of their activities.*"

This criteria is to be assessed in accordance with the Guidelines.

The Guidelines (paragraph 55) provide that:

> *"When assessing whether or not a management company is significant, a management company should consider the cumulative presence of all the three factors (i.e. its size or the size of the UCITS it manages, its internal organisation and the nature, scope and complexity of its activities). A management company which is significant only with respect to one or two of the three above factors should not be required to set up a remuneration committee."*

In terms of what "internal organisation" means, the Guidelines elsewhere state as follows: "*Internal organization: this can relate to the legal structure of the management company or the UCITS it manages, the complexity of the internal governance structure of the management company, the listing on regulated markets of the management company or the UCITS it manages. This criterion should be assessed having regard to the entire organisation of the management company including all the UCITS it manages, meaning that for instance the listing of one UCITS should not by itself be sufficient for considering the management company as having a complex internal organisation"*

Having assessed this, the Company at this current size, has determined that it is not "significant" with respect to its *internal organisation* and therefore shall not be required to establish a remuneration committee.

7 BOARD OVERSIGHT AND UPDATES TO THIS REMUNERATION POLICY

The Board will be responsible for the oversight of compliance with this Remuneration Policy. It will review the appropriateness of this Remuneration Policy annually and will ensure that it is operating as intended. This Remuneration Policy shall be reviewed and updated as necessary on at least an annual basis or as and when is required or deemed necessary by the Company.

Any material changes to this Remuneration Policy will be approved by the Board.