

Vermeer UCITS ICAV Remuneration Policy

Introduction

In accordance with its obligations pursuant to Directive 2014/91/EU of the European Parliament and of the Council (the “UCITS V Directive”), Vermeer UCITS ICAV (the “ICAV”) is required to have remuneration policies and practices for those categories of staff, 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 ICAV (“identified staff”), 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 instrument of incorporation of the ICAV.

Remuneration Policy Framework

The purpose of the ICAV’s remuneration policy is to seek to ensure that the remuneration arrangements of identified staff:

- i. are consistent with and promote sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profile, rules or instrument of incorporation of the ICAV; and
- ii. are consistent with the ICAV’s business strategy, objectives, values and interests and includes measures to avoid conflicts of interest.

Payout Principles

Subject to exceptions and limitations, the payout process requires that the following restrictions are applied to remuneration of identified staff:

- (a) At least 50% of any variable remuneration must consist of shares in the ICAV, or equivalent ownership interests, or share-linked instruments or equivalent non-cash instruments; and
- (b) At least 40% of the variable remuneration component must be deferred over a period of at least 3 years or shorter if appropriate in the context of the life cycle and risks of the ICAV.

Applicable Remuneration

The principles set out in this policy apply to remuneration of any type paid by the ICAV including carried interest, and to any transfer of shares of the ICAV in certain circumstances in exchange for professional services rendered. Fixed remuneration means payments or benefits without consideration of any performance criteria.

Portfolio/Risk Management Staff

The ICAV has the facility to appoint delegates to carry out management activities on its behalf

in accordance with its delegation policy. The ICAV has delegated responsibility for its portfolio management function to the Investment Manager, Vermeer Investment Management Limited (the “Investment Manager”).

In accordance with the UCITS V Directive, the ICAV will ensure that appropriate contractual agreements are in place to ensure that the delegation arrangements do not circumvent the remuneration requirements.

The ICAV 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 UCITS V 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 UCITS V Directive.

The Investment Manager has confirmed that it shall establish and maintain a remuneration policy in respect of all compensation received by it in connection with its appointment which:

- i. is consistent with and promotes sound and effective risk management
- ii. does not encourage risk-taking which is inconsistent with the risk profile of the ICAV; and
- iii. is appropriate and proportionate to Investment Manager’s size, internal organisation and the nature, scope and complexity of its activities.

The Investment Manager also confirms that:

- i. its remuneration policies are not structured so as to circumvent the UCITS requirements;
- ii. that its remuneration policies are in line with the business strategy, objectives, values and long-term interests of the Investment Manager and its clients

Proportionality

The UCITS V Directive provides that the payout principles outlined above may be disapplied in respect of the ICAV (or any applicable delegates), if it is proportionate to do so.

In assessing what is proportionate, both in respect of the ICAV itself and in relation to the Investment Manager, the ICAV will have regard to the provisions contained in the UCITS V Directive and the criteria referenced therein - i.e. (i) size, (ii) internal organisation and (iii) the nature, scope and complexity of the activities. The proportionality assessment needs to be done in consideration of all the criteria in aggregate, noting that this is not an exhaustive list so other factors may be relevant which the ICAV may determine from time to time.

In accordance with the UCITS V Directive, the ICAV and the Investment Manager have completed a proportionality assessment and consider it appropriate to disapply the payout principles on this basis.

Non-Executive Directors

Where applicable, the Non-Executive members of the Board of Directors (the “Board”) 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 ICAV's complexity, the extent of the responsibilities and the number of board meetings. No pension contributions are payable on Non-Executive Board members' fees.

The ICAV's accounts are audited by Grant Thornton who will ensure that the necessary disclosures are made in relation to remuneration in the annual audited accounts.

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

Annual Review

This remuneration policy (together with compliance herewith) will be subject to annual review. These reviews 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 ICAV are adequately reflected; and
- the policy reflects best practice guidelines and regulatory requirements.

The Board will take appropriate measures to address any deficiencies.

Circumstances where action is required

Following a review of adherence to the ICAV'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 Board.