UCITS Delegate Remuneration Policy
(the "Policy")

Minerva Asset Management Limited
(the "Firm")

4 January 2024

Version	Approved By	Date
1	Board of Directors	4 January 2024

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1 Introduction

1.1 The Firm acts as an investment manager, discretionary investment adviser, or sub-investment manager for an Irish authorised UCITS or for one or more sub-funds thereof (in any case the "**UCITS**").

1.2 In such capacity, it acts as a delegate or sub-delegate of the UCITS management company appointed by the UCITS (the "**Manager**").

1.3 Pursuant to the UCITS Requirements, the Firm is required to ensure that its remuneration arrangements are such that, from the UCITS's perspective, they do not circumvent the remuneration rules set out in the UCITS Requirements.

1.4 The Firm has prepared this Policy to outline how it adheres to the remuneration requirements set out in the UCITS Requirements and to demonstrate how it has established and applies remuneration policies and practices that are consistent with, and promote, sound and effective risk management.

1.5 The purpose of this Policy is to provide a clear direction and policy regarding the Firm's remuneration policies and practices, consistent with the principles in the UCITS Requirements as well as the relevant guidance and best practices issued by ESMA and the UCITS' home regulator.

1.6 This Policy has been adopted by the Firm solely in connection with its role for the UCITS.

1.7 This Policy

- is consistent with and promotes sound and effective risk management;
- encourages the alignment of the risk taken by staff in the Firm with the risk profile of the UCITS and does not result in risk-taking by staff in the Firm in such a way as to be inconsistent with the investment policy of the UCITS;
- is appropriate and proportionate to the Firm's size, internal organisation and the nature, scope and complexity of its activities;
- considers Sustainability Risks as they relate to remuneration in line with SFDR; and
- shall apply to the Firm's Identified Staff (as defined below) that provide investment management services to the UCITS so as to enable the Firm to align the interests of the Identified Staff (as defined below) and the UCITS to achieve and maintain a sound financial situation.

1.8 The Policy also seeks to foster a culture of performance, accountability, and transparency within the Manager and to attract, retain, and motivate qualified and competent staff.

1.9 In preparing this Policy, the Firm has taken into account the nature, scale and complexity of its business. In determining the range of activities to be undertaken by the Firm, the Firm has given due consideration to the UCITS, its investments, strategies, the investment location, the distribution model and the investor base. Due consideration has also been given to the resources available to the Firm and the resources and expertise of the various third parties engaged to support the UCITS and carry out certain functions on its behalf.

2 Applicable Regulation and Interpretation

2.1 For the purposes of this Policy, the following defined terms and legislative/regulatory references are of particular note:

"AIFMD"	means the Alternative Investment Fund Managers Directive (Directive 2011/61/EU);
"Board"	means the board of directors / executive of the Firm;
"Central Bank"	means the Central Bank of Ireland;
"Central Bank UCITS Regulations"	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings For Collective Investment in Transferable Securities) Regulations 2019 as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;
"ESMA"	means the European Securities and Market Authority;
"ESMA UCITS Q&A"	means ESMA's Questions and Answers on the Application of the UCITS Directive (ESMA/2016/569);
"**Guidelines**"	means ESMA's Guidelines on sound remuneration policies under the UCITS Directive (ESMA/2016/575);
"**SFDR**"	means Regulation (EU) 2019/2088 of the European Parliament and Council on sustainability-related disclosures in the financial services sector;
"**Sustainability Risk**"	means an environmental, social or governance ("**ESG**") event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment;
"**UCITS Directive**"	means Directive 2009/65/EU of the European Parliament and of the Council as amended and as may be further amended, consolidated or substituted from time to time;
"**UCITS Regulations**"	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011), as amended and as may be further amended, consolidated or substituted from time to time; and
"UCITS Requirements"	means collectively the UCITS Directive, the UCITS Regulations, and the Central Bank UCITS Regulations, as appropriate.

2.2 In relation to various aspects of this Policy where there is any perceived ambiguity or lack of clarity in the UCITS Requirements and/or the Guidelines, the Firm may have regard to any published guidance on the relevant point by the Central Bank or ESMA or in the absence of any such published guidance that of any other EU national competent authority, if appropriate.

2.3 In the absence of such additional supporting guidance in relevant instances regard may also be had to any guidance published by any of the relevant regulatory bodies in the context of AIFMD remuneration requirements, to the extent it provides guidance on corresponding elements to the UCITS requirements being considered.

3 Scope of Remuneration

3.1 Remuneration, for the purposes of this Policy, consists of all forms of payments or benefits made directly by, or indirectly, but on behalf of the Firm, in exchange for professional services rendered by its Identified Staff (as defined below) in respect of its investment management of the UCITS.

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

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

4 Identified Staff

4.1 "**Identified Staff**" should cover the staff of the Firm who have a material impact on the risk profile of the UCITS as a result of the Firm's appointment, and only in respect of the remuneration for such activities.

This can include senior management, risk takers, Control Functions (as defined below) and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers (who have a material impact on the risk profile of the UCITS).

4.2 "**Control Functions**" are staff (other than senior management) responsible for risk management, compliance, internal audit, human resources and similar functions.

4.3 The Firm's Identified Staff as at the date of this version of the Policy are set forth in Schedule 1.

4.4 The Firm will not apply this Policy to those of its staff that are not Identified Staff.

5 Governance

5.1 The Board may delegate some of its functions and responsibilities under the Policy to a remuneration committee, a risk committee, or other appropriate bodies or persons, as long as they have the necessary expertise, independence, and authority.

5.2 The Board, or its delegate, consults with the relevant Control Functions in the design, review, and implementation of the Policy, and ensures that they have adequate resources and access to information to perform their duties effectively. The Control Functions are also responsible for monitoring and reporting on the compliance and effectiveness of the Policy, and for identifying and addressing any potential or actual breaches or risks.

5.3 The Board, or its delegate, also communicates and discloses the Policy and its outcomes to the relevant stakeholders, including the Manager, the UCITS, its investors, and the regulators, in accordance with the applicable laws and regulations. The Policy and its main features are made available to the public on the Manager's website or upon request, and the annual report of the UCITS includes information on the aggregate remuneration paid by the Manager to its Identified Staff, broken down by fixed and variable components, and by senior management and risk takers.

6 Remuneration Process and Principles

6.1 The remuneration of the Identified Staff consists of fixed and variable components, which are balanced and proportionate to the role, responsibilities, performance, and risk profile of the individual, the Firm, and the UCITS. The fixed component reflects the relevant market conditions, the qualifications, skills, experience, and competencies of the individual, and the scope and complexity of the role. The fixed component is sufficient to allow the Firm to operate a fully flexible policy on variable remuneration, including the possibility to pay no variable remuneration in case of poor performance or adverse circumstances.

Variable remuneration

6.2 Variable remuneration is an important tool to incentivise staff. It also gives the Firm flexibility such that, in years where the Firm performs poorly, variable remuneration may be reduced or eliminated and the capital of the Firm can be preserved. In some circumstances, however, variable remuneration, if inappropriately structured, can lead to excessive risk-taking as employees may be incentivised to keep taking risk to maintain or increase their variable remuneration.

6.3 In deciding the mix between fixed and variable remuneration of Identified Staff, the Firm 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 Firm is an asset management business and its revenues are based on the amount of assets it manages and its revenues may therefore be more volatile than other types of businesses. Variable remuneration allows the Firm to reduce the risk that its capital base is eroded due to the need to pay fixed remuneration cost should assets under management decline.

6.4 The variable component is based on a combination of individual, team, and Firm's performance, as well as the performance and risk-adjusted results of the UCITS. The performance assessment is conducted over a multi-year period, taking into account the investment horizon and the life cycle of the UCITS, and is subject to ex ante and ex post risk adjustments, such as malus and clawback arrangements, to ensure alignment with the long-term interests of the UCITS and its investors. The performance criteria are transparent, measurable, and verifiable, and include both financial and non-financial indicators, such as compliance with the investment objectives, policies, and restrictions of the UCITS, adherence to the risk limits and the risk management framework, contribution to the development and innovation of the Firm and the UCITS, and respect for the ethical and professional standards and the values of the Firm.

Remuneration process

6.5 Following the finalisation of the annual financial statements and during the first quarter of each financial year in respect of the Firm, the Firm shall decide what, if any, variable compensation to award staff.

6.6 The factors that are taken into account in deciding the quantum of the variable remuneration are as follows:

- the profit that the Firm made during the previous year;
- for revenue producing roles, the risk and resource adjusted profit or loss in comparison to the expected profit or loss in addition to the achievement of any specific objectives;
- the resources that were consumed (for example IT, capital, legal and compliance resources);

- for non-revenue producing roles, achievement against objectives and whether the individual exceeded what was expected of them during the year;

- for all roles, compliance by the individual with all relevant compliance and risk requirements and other firm policies and procedures;

- for all roles, the achievement of objectives which are set during the annual review process and updated during the year;

- whether the individual helped to develop new businesses, improved processes, worked in a collegial way and assisted in the training, education and mentoring of other Identified Staff;

- for all roles, behaviour alignment to Sustainability Risks and the extent to which the individual has embodied the sustainability principles; and

- other factors as may be determined from time to time by the Board.

Remuneration principles

6.7 It is primarily the responsibility of the Firm to assess its own characteristics and to develop and implement remuneration policies and practices which appropriately align the risks faced and provide adequate and effective incentives to its Identified Staff.

6.8 When establishing and applying the total remuneration, inclusive of salaries and discretionary pension benefits for Identified Staff, the Firm shall comply with the principles set out in Regulation 24B(1) of the UCITS Regulations (as set out in Schedule 2 for reference) in a way and to the extent that is appropriate taking into account its size, internal organisation and the nature, scope and complexity of its activities (as considered in more detail in section 7 below).

6.9 The Firm does not use guaranteed variable remuneration, except in exceptional circumstances and for the first year of employment of new hires, subject to the approval of the Board, or its delegate, and the compliance with the applicable laws and regulations. The Firm also does not use personal hedging strategies or insurance contracts that undermine the risk alignment effects of the remuneration arrangements. The Firm may use discretionary pension benefits or severance payments for the Identified Staff, subject to the approval of the Board, or its delegate, and the compliance with the applicable laws and regulations, and provided that they are consistent with the long-term interests of the Firm and the UCITS, and do not reward failure or misconduct.

6.10 The Firm may use other forms of remuneration, such as benefits in kind, allowances, or bonuses, for the Identified Staff, subject to the approval of the Board, or its delegate, and the compliance with the applicable laws and regulations, and provided that they are reasonable, proportionate, and transparent, and do not create conflicts of interest or incentives for excessive risk-taking.

7 Scope of the Policy and Application of the Principles

7.1 Regulation 24B(1) of the UCITS Regulations states that UCITS management companies shall comply with the UCITS remuneration principles "*in a manner and to the extent that is appropriate to their size, internal organisation and the nature, scope and complexity of their activities.*"

7.2 While it is noted that the Guidelines do not expressly provide for the disapplication of certain UCITS remuneration principles on the grounds of proportionality, this is not expressly prohibited either. Indeed, ESMA indicated, in a letter to the European Commission on this issue[1], that;

"there might be cases where the application of the payout process rules to the staff of the delegate would not be proportionate and would not achieve the outcome of aligning the delegates' staff interests with those of the investors in the UCITS."

7.3 In the absence of further guidance or legal clarification from the European Commission, ESMA or the Central Bank, it is noted by the Firm that an applicable delegate may determine to disapply the principles outlined in sections (m), (n) and (o) of Regulation 24B(1) (the "**Pay-out Process Rules**") - 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.

7.4 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].

7.5 The level of total assets managed by the Firm is US$47 million as of 31 December 2022. Given the relatively small scale of assets managed by the Firm, it is considered appropriate to disapply the Pay-out Process Rules on the grounds of proportionality.

7.6 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.

8 Oversight and Updates to this Policy

8.1 The Board will be responsible for the oversight of compliance with this Policy. It will review the appropriateness of this Policy annually and will ensure that it is operating as intended. It will also review this Policy to ensure that it continues to be compliant with applicable national and international regulations, principles and standards. This 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 Firm.

8.2 Material changes to this Policy will be approved by the Board.

[1] https://www.esma.europa.eu/sites/default/files/library/2016-412_letter_to_european_commission_european_council_and_european_parliament_on_the_proportionality_principle_and_remuneration_rules_in_the_financial_sector.pdf

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

Schedule 1

Identified Staff List

Name	Reason for inclusion
Fergus McKeon	Director and Chair, Minerva Strategic Series Fund UCITS ICAV
Catherine Lane	Director, Minerva Strategic Series Fund UCITS ICAV

Schedule 2

UCITS Remuneration Principles (as contained in Regulation 24B(1) of the UCITS Regulations)

24B. (1) When establishing and applying the remuneration policies referred to in Regulation 24A, management companies shall comply with the following principles in a manner and to the extent that is appropriate to their size, internal organisation and the nature, scope and complexity of their activities:

(a) the remuneration policy is consistent with and promotes sound and effective risk management and does not encourage risk taking that is inconsistent with the risk profiles, rules or instruments of incorporation of the UCITS that the management company manages;

(b) the remuneration policy is in line with the business strategy, objectives, values and interests of the management company and the UCITS that it manages and of the investors in such UCITS, and includes measures to avoid conflicts of interest;

(c) the remuneration policy is adopted by the management body of the management company in its supervisory function, and that body adopts, and reviews at least annually, the general principles of the remuneration policy and is responsible for, and oversees, their implementation, provided that the tasks referred to in this sub-paragraph shall be undertaken only by members of the board who do not perform any executive functions in the management company concerned and who have expertise in risk management and remuneration;

(d) the implementation of the remuneration policy is, at least annually, subject to central and independent internal review for compliance with policies and procedures for remuneration adopted by the management body in its supervisory function;

(e) staff engaged in control functions are compensated in accordance with the achievement of the objectives linked to their functions, independently of the performance of the business areas that they control;

(f) the remuneration of senior officers in the risk management and compliance functions is overseen directly by the remuneration committee, where such a committee has been established under paragraph (3);

(g) where remuneration is performance-related, the total amount of remuneration is based on an assessment of - (i) the performance of the individual and of the business unit or UCITS concerned, (ii) the risks of the UCITS concerned, and (iii) the overall results of the management company when assessing individual performance, taking into account financial and non-financial criteria;

(h) the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the UCITS managed by the management company in order to ensure that the assessment process is based on the longer term performance of the UCITS and its investment risks and that the payment of performance-based components of remuneration is spread over that period;

(i) guaranteed variable remuneration is exceptional, occurs only in the context of hiring new staff and is limited to the first year of engagement of such staff;

(j) fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component;

(k) payments relating to the early termination of a contract reflect performance achieved over time and are designed in a way that does not reward failure;

(l) 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;

(m) subject to the legal structure of the UCITS and its fund rules or instruments of incorporation - (i) not less than 50 per cent, or (ii) where the management of UCITS accounts for less than 50 per cent of the total portfolio managed by the management company, a substantial portion; of any variable remuneration component consists of units of the UCITS concerned, equivalent ownership interests, or share-linked instruments or equivalent non-cash instruments with incentives that are as effective as any of the instruments referred to in this paragraph, and in respect of such a variable remuneration component – (I) the management company shall establish and apply to the instruments a retention policy designed to align incentives with the interests of the management company, of the UCITS that it manages and of the unit-holders of the UCITS, and (II) the Bank may place restrictions on the types and designs of the instruments or ban certain instruments as appropriate;

(n) a substantial portion, which shall be - (i) not less than 40 per cent, or (ii) in the case of a variable remuneration component of a particularly high amount, not less than 60 per cent, of a variable remuneration component referred to in paragraph (m), is deferred and vests no faster than on a pro-rata basis over a period that is - (I) appropriate in view of the holding period recommended to the unit-holders of the UCITS concerned, (II) correctly aligned with the nature of the risks of the UCITS in question, and (III) not less than 3 years;

(o) a variable remuneration component referred to in paragraph (m), including any portion thereof deferred in accordance with paragraph (n), is paid or vests only if it is - (i) sustainable according to the financial situation of the management company as a whole, and (ii) justified according to the performance of the business unit, of the UCITS and of the individual concerned, and shall be considerably contracted where subdued or negative financial performance of the management company or of the UCITS concerned occurs, taking into account both current compensation and reductions in pay-outs of amounts previously earned, including through malus or clawback arrangements;

(p) the pension policy is in line with the business strategy, objectives, values and long-term interests of the management company and the UCITS that it manages, and in particular - (i) if an employee leaves the management company before retirement, discretionary pension benefits in respect of the employee shall be held by the management company for a period of five years in the form of instruments referred to in paragraph (m), and (ii) in the case of an employee reaching retirement, discretionary pension benefits shall be paid to the employee in the form of instruments referred to in paragraph (m), subject to a five year retention period;

(q) staff 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;

(r) a variable remuneration component is not paid through vehicles or methods that facilitate the avoidance of the requirements laid down in these Regulations.