Equitile Compensation Policy

1. INTRODUCTION & OVERVIEW TO EQUITILE

Equitile Investments Ltd ("Equitile") is authorised and regulated by the Financial Conduct Authority and is a company incorporated in England (Company Number 09459099) with head office at 20 St Dunstan's Hill, London, EC3R 8HL.

Equitile is a UK UCITS Manager, a full-scope UK AIFM managing a Cayman domiciled Alternative Investment Fund and also has permissions to conduct additional business under the MIFID Directive and act as a delegated portfolio manager to an Irish UCITS fund.

The funds invest in companies across a range of jurisdictions including the UK. Investments are made on a medium to long-term time horizon and Equitile Compensation policy ("Policy") is designed to support this strategy and time horizon. This Policy is designed to be consistent with, and promote, sound and effective risk management and not encourage risk taking which is inconsistent with the risk profiles, rules or instruments traded by the funds managed and of Equitile itself. This Policy is designed to comply with FCA's rules.

2. MUTUAL RESPECT

Mutual respect underpins everything we do and all our interaction as a firm – this includes the compensation policy. The following statement simply details, in line with current expectations and sensitivities, the principles that have always guided how we treat each other, service providers and our clients.

Our firm is committed to being an equal opportunity employer in every respect. We make all employment-related decisions — including recruitment, compensation, promotion, training, and termination — solely on the basis of individual merit, performance, and business needs. We do not tolerate discrimination of any kind on the grounds of gender, gender identity or expression, marital or civil partnership status, pregnancy or maternity, sexual orientation, race, colour, ethnic or national origin, religion or belief, age, disability, or any other characteristic protected under the Equality Act 2010. Our compensation policy is fully gender-neutral, ensuring that all employees are rewarded fairly and consistently for their contribution, regardless of any personal characteristic unrelated to their role.

We recognise that a diverse workforce strengthens our performance, culture, and ability to serve our clients.

3. COMPENSATION POLICY OVERVIEW

The compensation policy aims to serve both Equitile and its investors' best interests. Under the Policy, Equitile calculates and awards variable compensation and benefits by referencing a series of metrics which include:

- the assessment of the performance of the individual concerned, including financial as well as non-financial criteria such as adherence to Equitile's policies and procedure and effective risk management;
- the assessment of the performance of the funds;
- the overall results

The level of importance of each criterion is determined in advance, and adequately balanced to take into account the position or responsibilities held by the individual concerned. The assessment of performance is also set over a multi-year framework appropriate to the life-cycle of the funds managed and the longer term performance of Equitile. Equitile also sets an appropriate ratio of fixed to variable compensation when awarding variable compensation and may, if appropriate, use a deferred process.

4. PROPORTIONALITY

In accordance with FCA rules, the Policy also applies the applicable compensation rules in a way that is appropriate to Equitile's size, structure and internal organisation and the nature, scope and complexity of its activities, as described above. Equitile is classified as an SNI MIFIDPRU Investment Firm under FCA rules.

The aim is to manage employees' total compensation appropriately by applying the right mix of the different compensation types. Any compensation is paid competitively based on market-based compensation according to employees' skills, experience, performance and responsibilities.

Equitile compensation policy is designed to promote sound and effective risk management and does not encourage risk taking that exceeds the firm's conservative risk appetite.

In order to achieve this, the performance of all staff will be reviewed annually by the Compensation Committee with compensation determined as appropriate. This will take into account contributions to business development, client service and team contribution, compliance, risk management, profitability and the competitive environment within which Equitile operates. The board will set any profit-based compensation as appropriate taking into account business costs, investment needs and regulator capital requirement.

5. COMPENSATION REVIEW PROCESS & GOVERNANCE

Due to small number of personnel employed at Equitile it is not possible to separate the Compensation process from the executives who adopt and review the general principles of the compensation policy; and who are responsible for the implementation of the general principles of this policy.

The Compensation Committee which includes one independent non-executive director is responsible for ensuring that compensation decisions properly reflect the importance of delivering the standards and requirements set in respect of Equitile risk management process.

Talent retention is critical to Equitile ability to achieve excellence and deliver the outcomes Equitile investors expect. Equitile approach to compensation needs to provide the opportunity for reward that is competitive in the market in which we operate, in order to attract and retain key talent. Deferral of appropriate and meaningful proportions of variable pay is aimed to ensure effective and ongoing alignment with Equitile investors and long-term business objectives.

6. COMPENSATION CODE STAFF

Equitile has identified the members of staff who fall within the definition of "Compensation Code Staff", and includes:

- senior management
- any other staff (if applicable), who are not otherwise senior management, including but not limited to those who are responsible for Portfolio Management, Risk Management & Compliance ("Code Controlled Functions"); or
- any other staff receiving total compensation, that takes them into the same pay bracket and senior management and those performing Code Controlled Functions; and
- whose professional activities have a material impact on the risk profile of Equitile or on the funds managed by Equitile.

The compensation of the risk management and compliance functions will be overseen by the Compensation Committee. The Compensation Committee will ensure that the method for calculating the compensation of the compliance function will not or will not be likely to compromise their objectivity. Equitile's risk management and compliance functions will have input into setting the compensation for other business units and individuals, especially if there are concerns about behaviours or the riskiness of business undertaken.

The scale of Equitile means that employees who hold control functions are not always independent from the business units that they oversee, however they have the appropriate authority to take action where necessary. Equitile ensures that compensation packages for control function employees are adequate to ensure that the quality and experienced employees are attracted and that the package is dependent on the achievement of the Equitile objectives, and the objectives linked to the business areas that they control.

7. CONFLICTS of INTEREST

While every care is taken to identify, prevent, and manage potential conflicts of interest, we recognise that as a small firm with a limited number of staff, certain senior roles may naturally give rise to situations where potential or perceived conflicts could exist.

Where such situations cannot be fully eliminated, we ensure they are appropriately managed – for example, by maintaining transparent records, requiring declarations of interest, and appointing an independent director to relevant committees or decision-making processes. This approach ensures that any unavoidable conflicts are subject to independent oversight and that decisions are always taken in the best interests of our clients and in compliance with FCA requirements.

8. COMPENSATION

Total compensation paid to an employee is categorised as fixed and variable compensation. There are no defined ratios between fixed and variable components of total compensation. Any variable compensation payments received will be on a discretionary basis.

a. Fixed Compensation

The basic element to Equitile compensation policy is the salary for employees. The Company is committed to ensuring that:

- fixed compensation reflects an employee's professional experience and level of responsibility

- salaries remain competitive within the labour market, by conducting an annual pay review and benchmarking salaries against other employers
- upward salary adjustments consider individual performance
- each employee's salary is sufficient, permanent, pre-determined, non-discretionary, non-revocable and not dependent on performance so that they should not need to rely on variable compensation.

b. Variable Compensation

Where so agreed by the Compensation Committee, taking into account Equitile overall performance including profitability and overall achievement of business objectives, employees will be eligible for a discretionary variable compensation. Variable compensation may be subject to deferred payment. Any variable pay-out will be linked to:

- performance or, in exceptional cases, other condition;
- the performance will reflect the long-term performance of the employee as well as performance in excess of the employee's job description and terms of employment;
- will include discretionary pension benefits
- where applicable, will include carried interest, as referred to in SYSC 19G.1.27R

9. REWARD MECHANISM

Where agreed by the board variable compensation may, at the discretion of the board as recommended by the Compensation committee, and in line with the firms responsibilities under FCA UCITs and AIFM rules, withhold proportions of the variable compensation and make deferred payments. Payment of any deferred component of variable compensation will be at the discretion of the Compensation Committee. Payment of any deferred amount is dependent on continued employment and no outstanding investigations.

In addition, an Individual may be granted a lower or no variable compensation should they be the subject of possible disciplinary actions. These include the breach of any of the Equitile Operational Compliance procedures and include, but not limited to the following;

- Active breaches of the Personal Account ("PA") dealing rules as defined in the Compliance Manual.
- Active breach of funds' investment restrictions
- A persistent failure to follow procedures, address outstanding actions, or respond to Compliance requests, and persistent passive breaches of any investment restrictions.
- Failure to complete in a timely manner compliance disclosures and compliance training

c. Clawback provision

The firm applies clawback arrangements as part of its compensation policy to ensure accountability and sound risk management consistent with FCA rules and guidance. This will be applied via senior management and the compensation committee. Variable compensation awards, including variable compensation and deferred pay, may be recovered (clawed back) if any of the following occur within the applicable clawback period:

- There is reasonable evidence of employee mis-behaviour, fraud, or material error that impacts the firm or a relevant business unit.

- The employee is involved in conduct that breaches regulatory requirements, internal policies, or the firm's standards of fitness and propriety.
- The firm, business unit, or activity to which the employee contributed suffers a material downturn in financial performance or a significant failure in risk management.
- Any other circumstance arises that justifies recovery to protect the firm's reputation.
- The clawback period will be in line with regulatory standards, typically extending up to four years from the date of award, and may be longer if internal or regulatory investigations remain open.

The application of clawback is managed fairly and transparently in accordance with documented policies and contractual rights. Where an award is subject to clawback, the firm will make all reasonable efforts to recover the appropriate amount. Any decision to apply clawback will consider the employee's level of responsibility and proximity to the event that triggered the clawback.

This clawback provision complements the firm's malus policy on reduction or cancellation of unvested variable pay, together ensuring that compensation is aligned with sustainable performance and prudent risk-taking.

d. Malus policy

The malus policy ensures that variable compensation awarded to employees, particularly material risk takers, remains aligned with the long-term interests of the firm, sound risk management, and regulatory requirements. It provides the ability to reduce or cancel unvested variable compensation awards before they become payable if justified by subsequent events.

This policy applies to all employees eligible for variable compensation, with particular focus on individuals whose actions or performance could have a material impact on the firm's risk profile and financial soundness.

The firm may apply malus to reduce or cancel unvested variable compensation awards in cases including, but not limited to:

- Evidence of employee misconduct, fraud, or material error affecting the firm or business unit.
- Material downturn in the financial performance of the firm, business unit, or area to which the employee contributed.
- Significant failures in risk management or compliance within the employee's scope of responsibility.
- Any other event or circumstance resulting in reputational damage, regulatory breaches, or threat to the firm's financial soundness.

Process

- Malus may be applied at any time before the variable compensation award vests or pays out.
- Decisions to apply malus will be made by the Compensation Committee or an equivalent senior oversight body, with clear documentation of rationale and consideration of proportionality.
- The firm will ensure a fair and transparent process, including giving the affected employee an opportunity to respond before a final decision is taken.

The malus period applies to deferred awards and generally lasts throughout the deferral period, which is typically up to 5 years, depending on firm size and risk profile. The policy allows for specific longer periods for senior roles or exceptional circumstances – this would be outlined in the employment contracts.

Relationship with Clawback - Malus complements the firm's clawback provisions, which allow recovery of variable pay already vested or paid, helping to reinforce accountability and prudent behaviour.

10. REVIEW & SUPERVISION

The Compensation Committee undertakes the detailed review and allocation of resources under the Compensation Policy and the Board acts as the supervisory body. The Policy is reviewed at least annually taking into account the current and future risks and capital and liquidity requirements and having regard to Equitile's financial forecasts. Any changes are approved by the Board.

The Board which includes Equitile Compensation Committee is in charge of making sure the compensation policy is compliant with regulatory requirements, and for ensuring the implementation of the Compensation Policy. The Board may enlist the services of external advisors to ensure Equitile policy continues to be in line with all applicable directives, laws and regulations. The Compensation Committee also approves compensation policy changes and ensures compensation proposals of identified staff and employees are within the compensation framework.

11. PENSION AND OTHER BENEFITS

Equitile operates an auto-enrolment pension plan which conforms to the UK pension regulators guidelines.

12. TERMINATION PAYMENTS

Any payment made in association with the early termination of an employee's contract of employment, will be designed in a way that will not reward failure. Equitile is not obliged under the contracts of employment to make any payment to the departing employee, where it chooses to make such a payment, the payment will reflect performance achieved over time. This policy applies to all employees, but does not form part of any employee's contract of employment.

13. RECORD KEEPING

Equitile will keep records of its compensation policy and procedures which will include performance appraisal processes and decisions.