

**ARIA SICAV PLC**

**REMUNERATION POLICY**

**March 2023**



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Vincent David Robin

Obo Board of Directors

**Revision History Log**

Version	Author/Editor	Changes/Modifications	Date of approval
1	Matt Britain	First Version	18 <sup>th</sup> August 2016
2	Matt Britain	Review and minor amendments	7 <sup>th</sup> April 2017
3	Vincent David Robin	Changes related to sustainability risks	31 <sup>st</sup> July 2022
4	Vincent David Robin / Andres Villamil	Changes related to list of officers and sub-funds	7 <sup>th</sup> February 2023
5	Andres Villamil	Changes related to the sub-funds' names	29 <sup>th</sup> March 2023

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## 1.0 INTRODUCTION

The Company, which is authorised as an "Undertaking for Collective Investment in Transferable Securities" under the Investment Services Act, 1994, as amended (the "Act"), is required to establish, implement and maintain a remuneration policy (the "Remuneration Policy" or "Policy") which is in accordance with the requirements of Articles 14a and 14b of the UCITS Directive (as defined below).

This Remuneration Policy is aimed at ensuring that any relevant conflicts of interest can be managed appropriately at all times and sets out 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 profile of the Company or a Fund (as defined below), 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 instruments of incorporation of the relevant Fund.

This Remuneration Policy is in line with the business strategy, objectives, values and interests of the Company and the Funds and the investors in the Funds and includes measures to avoid conflicts of interest.

## 2.0 DEFINITIONS

The following definitions are deemed to apply for the purposes of this Policy:

Board	means the board of directors of the Company.
Business Plan	means the business plan of the Company which supports and forms part of the Company's application for authorisation as a UCITS self-managed company under the Act, as may be amended or updated from time to time.
ESMA Guidelines	means the ESMA Consultation Paper on Guidelines on sound remuneration policies under the UCITS Directive and the AIFMD (2015/ESMA/1172).
Funds	means any sub-fund of the Company from time to time including: <ul style="list-style-type: none"><li>• PC Macro Multi-Asset Balanced Fund</li><li>• PC Macro Multi-Asset Defensive Fund</li><li>• PC Macro Multi-Asset Dynamic Growth Fund</li><li>• ARIA Alternative Income Fund</li><li>• ARIA Global Equity Leaders Fund</li><li>• ARIA Global Impact Income Fund</li><li>• The Perpetual UCITS Portfolio Fund</li></ul>

Each of the sub-fund(s) is a "Fund".

Investment Managers	means Absolute Return Investment Advisers (ARIA) Limited and ARIA Capital Management (Europe) Limited
UCITS	Means an "Undertaking for Collective Investment in Transferable Securities"
UCITS Directive	means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 as regards depositary functions, remunerations policies and sanctions, including its mandatory implementing regulations on an EU or Home Member State level.

### 3.0 IDENTIFIED STAFF

The UCITS Directive requires the Company to identify the categories of staff whose professional activities have a material impact on the risk profile of the Company.

The categories of staff that are covered by this policy are:

- a) Executive and non-executive members of the governing body;
- b) Senior Management;
- c) Control Functions;
- d) Staff directly responsible for the provision of the services, administration, marketing, human resources;
- e) Other risk takes such as staff members whose professional activities either individually or collectively as members of a group/department – can exert material influence on Company’s risk profile or on an any client it manages including persons capable of entering into contract/positions and taking decision that materially affect the risk positions of Company or of the client it manages);
- f) Other employees/persons whose total remuneration exceeds €100,000.

Below mentioned individuals with the aforesaid designations will fall under the scope of this policy:

Name	Designation
Matthew Britain	Executive Director / Investment Committee Member
Vincent David-Robin	Executive Director and CEO / Investment Committee Member
Etienne Borg Cardona	Independent Non-Executive Director
Mr James Hindmarch	Investment Committee Member
Mr James Ward	Investment Committee Member
Mr Richard Thompson Wight	Investment Committee Member
Risk Manager	George Chan
Andres Villamil	Compliance Officer / MLRO / Company Secretary

## 4.0 REMUNERATION

The directors and members of the investment committee who are also employees of the Investment Manager or an affiliate of Absolute Return Investment Advisers (ARIA) Limited and ARIA Capital Management (Europe) Limited shall not receive any remuneration in respect of their services as directors and/or members of the investment committee of the Company.

The other directors, members of the investment committee, Risk Manager, Compliance Officer, MLRO and Company Secretary shall receive fixed remuneration in respect of their services or employment agreement which is set at a level determined by the senior management of the Company subject to the fees as set out in the Offering Documentation of the Company and its Funds which are not performance related.

Members of the Board and/or Investment Committee which are employees of the Investment Managers and not in receipt of any remuneration from the Company are:

- Mr Matthew Brittain;
- Mr James Hindmarch;
- Mr James Ward; and
- Mr Vincent David-Robin;

None of the directors and/or investment committee members are currently in receipt of performance based variable remuneration in respect of their services as directors and/or investment committee members of the Company. Accordingly, the detailed provisions of Article 14b of the UCITS Directive and the related ESMA Guidelines in relation to variable remuneration are not applicable to the Company. None of the directors and/or members of the investment committee are currently in receipt of a pension from the Company.

The Company has determined that the fixed remuneration payable to the directors, members of the investment committee, Risk Manager, Compliance Officer, MLRO and Company Secretary who are not employees of the Investment Managers are:

- a) consistent with sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile, rules or instrument of incorporation of the Funds and;
- b) in line with the business strategy, objectives, values and interests of the Company and each Fund and the investors in each Fund. The nature of the remuneration of the directors, members of the investment committee, Risk Manager, Compliance Officer, MLRO and Company Secretary, being fixed and not including any variable component and being determined by the senior management of the Company ensures that the Company appropriately manages any conflicts of interest in respect of remuneration.

## 5.0 REMUNERATION COMMITTEE

The UCITS Directive requires UCITS management companies that are significant in terms of their size, their internal organisation and the nature, scope and complexity of their activities to establish a remuneration committee. Having considered these criteria, the Company has determined that, it is not significant in these respects and therefore the Company has not established a remuneration committee.

## 6.0 SUSTAINABILITY RISKS

This Remuneration Policy (Sustainability Risks) specifically addresses the obligation in Article 5 of the Sustainable Finance Disclosure Regulation ("SFDR" or "the Regulation"): *"Financial market participants and financial advisers shall include in their remuneration policies information on how those policies are consistent with the integration of sustainability risks, and shall publish that information on their websites."*

In this regard it is to be noted that "Sustainability Risk" as defined in Article 2(22) of the Regulation is: *"an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment"*.

Furthermore, Sustainability Risks include (but are not limited to) the following:

- environmental risks such as the impacts of environmental events such as increased flooding risks on operations of portfolio companies;
- social risks such as impact of non-compliance with anti-slavery or working conditions laws and regulations by a portfolio companies; and
- governance risks such as inadequate management oversight of portfolio companies.

Therefore, ARIA SICAV PLC does not currently have a remuneration policy that is consistent with the integration of sustainability risks, except to the extent described above in point 4.

In line with the Company's internal remuneration framework, no variable remuneration is paid to the identified staff listed in *Section 3* unless it is determined to be justified following a performance assessment based on quantitative (financial) as well as qualitative (non-financial) criteria.

Due to this very limited impact on the risk-profile of the Company's investors, as well as the nature of the Company's business, the Company deems that there is no risk of misalignment with the integration of the sustainability risks, if any, in the Company's investment decision making process.

Therefore, the Company considers that its existing structures are sufficient to prevent excessive risk taking in respect of sustainability risks, if any.

## 7.0 DELEGATION

The Board has delegated certain activities, as specified in its Business Plan, in respect of the investment management and risk management of the Company, to the Investment Managers. This Policy is in line with the ESMA Guidelines on Sound Remuneration Policies as of the date of this Policy. Should ESMA issue any updates, this policy may be therefore amended in due course to address any of the requirements in the updates.

The Company will rely on the remuneration policies and procedures of each delegate to ensure that their remuneration structures promote a culture of investor protection and mitigation of conflicts of interest.

## 8.0 - ANNUAL REVIEW

On an annual basis the Board will review the terms of this Remuneration Policy and assess whether its overall remuneration system operates as intended and is compliant with the obligations on remuneration as set out in the UCITS Directive. The Remuneration Policy will be updated by the Board as and when required.

## 9.0 DISCLOSURE

The Company will comply with the remuneration disclosure requirements set out in the UCITS Directive and the Act.

A copy of this Policy (as may be amended from time to time) will be made available on the following website: [www.ariacm.com](http://www.ariacm.com). A paper soft copy of the Policy is also available free of charge from the Company upon request. In accordance with the requirements of the UCITS Directive, the Company's up to date remuneration policy will be summarised in the Prospectus for each Fund.

The total amount of remuneration for each full performance year after the effective date of this Policy, split into fixed and variable remuneration (if any), paid by the Company to the identified staff for the purposes of *Section 3* of this Policy will be disclosed in the annual report of the Fund(s).