

# VALUE PARTNERS IRELAND FUND PLC

## 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”), Value Partners Ireland Fund plc (the “Company”) 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 Company (“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 instruments of incorporation of the Company.

The Company has established this remuneration policy in accordance with the requirements of the UCITS Regulations to the extent that it is appropriate to its size, internal organisation and the nature, scope and complexities of its activities.

This remuneration policy has been adopted by the Board and any revisions to this remuneration policy requires approval of the Board.

The Company is a self-managed investment company with no employees. However the Company has appointed KB Associates to discharge certain management functions on its behalf. In this regard, KB Associates has seconded two of its employees to the Company for the purposes of discharging such management functions (“Designated Persons”). KB Associates also provides the money laundering reporting officer (“MLRO”) to the Company. Therefore the Directors, the Designated Persons and the MLRO are the only “identified staff” of the Company.

It is noted that the UCITS Regulations outline that the remuneration policies and practices should apply, in a proportionate manner, to any third party which takes investment decisions that affect the risk profile of a UCITS because of functions which have been delegated in accordance with the UCITS Regulations.

The Company will ensure:

- that entities to which investment management activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the ESMA Guidelines ESMA/2016/575 (the “ESMA Guidelines”); or
- Appropriate contractual arrangements are put in place with entities to which investment management is delegated to ensure that the UCITS remuneration rules are not circumvented. These contractual arrangements relate to any payments made to a delegates’ identified staff as compensation for performance of investment management activities on behalf of the Company

In line with the requirements of ESMA Guidelines the Company has put in place appropriate contractual arrangements with Value Partners Hong Kong Limited (the “Investment Manager”) and Value Partners Asset Management Singapore Pte. Ltd (the “Sub Investment Manager”) to ensure that the UCITS remuneration rules are not circumvented. These contractual arrangements relate to any payments made to the Investment Manager’s and Sub Investment Manager’s identified staff as compensation for performance of investment management activities on behalf of the Company.

### Non-Executive Directors

The Non-Executive members of the Board of Directors, who are independent of the Investment Manager, receive a fixed fee only which is independent of the performance of the Company and do not receive

performance-based remuneration therefore avoiding a potential conflict of interest. The Directors of the Company who are also employees of the Investment Manager do not receive any fee. 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 Company'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 Board collectively is responsible for setting the remuneration levels of the Non-Executive Board members.

### **Designated Persons and MLRO**

The Designated Persons of the Company do not receive any remuneration directly from the Company. Furthermore KB Associates receives a fixed fee only for the provision of designated person services and MLRO services to the Company and does not receive performance-based remuneration.

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

### **Proportionality Principle**

As noted above, the Company must comply with the remuneration principles set down in the UCITS Regulations in a way and to the extent that is appropriate to its size, its internal organisation and the nature scope and complexity of its activities. Accordingly, some UCITS management companies can determine to meet the remuneration requirements through very sophisticated policies whereas others can do so in a simple and less burdensome way.

The Company does not pay any variable remuneration to any of its Identified Staff. Accordingly, the principles in respect of variable remuneration as outlined in the UCITS Regulations are not applicable.

Given the nature, scale and complexity of the Company and its operations, the Board has determined that a remuneration committee is not necessary and the Board as a whole will oversee compliance by the Company with this remuneration policy.

### **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, objectives and goals of the Company are adequately reflected; and
- the policy reflects available 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 Company'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 on behalf of the Company lies with the Board.

**Application**

This remuneration policy will apply from 6 February 2018.