

Summary of the Remuneration Policy

Introduction

The primary objective of this Remuneration policy (the "Policy") of Lightrock Netherlands B.V. ("Lightrock NL") is to attract, motivate and retain qualified employees. Furthermore, Lightrock NL has adopted this Policy to promote good business practice and sound and effective risk management.

Because the revenues of Lightrock NL are connected to the investment performance of the UCITS and the portfolios it manages for its clients, the interests of Lightrock NL staff and Lightrock NL clients are aligned regarding risk and returns. This, in combination with the fact that quantitative KPI's take into account a multi-year perspective, shows that Lightrock NL promotes a prudent remuneration policy that takes alignment with client interests seriously.

This Policy also includes information on the integration of sustainability risks in Lightrock NL's remuneration procedures, as required by SFDR (as defined below).

Sustainability risks are integrated in the investment process and KPIs related to sustainability risks are incorporated in the remuneration framework. As such, the remuneration framework fosters sustainable staff behaviour in accordance with the SFDR and contributes to meet sustainability objectives to which Lightrock NL committed itself.

Due to the size, nature, and complexity of the firm, Lightrock NL is not required to establish a Remuneration Committee.¹

All employees are considered Identified Staff (as defined below). This Policy is made available to all employees of Lightrock NL. Lightrock NL also publishes a summary of the Policy on its website and in its annual report.

This Policy incorporates the current legal requirements regarding remuneration for managers of UCITS funds who also provide investment services following from:

- Articles 1:111 – 1:130 Dutch Financial Supervision Act (*Wet op het financieel toezicht*, "Wft");
- Article 6:7 (2) Further regulation on conduct of business supervision of financial undertakings Wft (*Nadere regeling gedragstoezicht financiële ondernemingen Wft*, "Nrgfo")

¹ If the firm wants to establish a Remuneration Committee in the future which is responsible for the remuneration principles and framework, including those that have implications for the risk and risk management of Lightrock, the majority of the Remuneration Committee must be composed of members who do not perform executive functions at Lightrock NL, which enables it to exercise competent and independent judgment on remuneration policies and practices, and the incentives created for managing risk. The chairperson of the Remuneration Committee must be an independent, non-executive member.

- Articles 14a and 14b Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS");
- Articles 27 MiFID II Delegated Regulation 2017/565 ("MiFID II Delegated Regulation");
- ESMA Guidelines on sound remuneration policies under the UCITS Directive (ESMA 2016/575);
- ESMA Guidelines on remuneration policies and practices (MiFID) (ESMA/2013/606);
- ESMA Guidelines on certain aspects of the MiFID II remuneration requirements (ESMA 35-43-3565);
- Article 5 Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation ("SFDR")).

Definitions and terms

Board	Management Board of Lightrock NL. Responsible for defining and annually evaluating the general principles governing this policy.
Control Functions	Employees responsible for risk management, compliance, internal audit or finance.
Employee	A natural person employed by, or otherwise in a relationship of authority or command with, Lightrock NL or a subsidiary, regardless of duration or nature, including members of the Board.
Fixed Remuneration	The part of total remuneration that consists of unconditional financial or non-financial benefits as specified in this Policy or in employment or similar agreements. Fixed remuneration may consist of monthly salary, holiday allowance, company lease car allowance, commuter travel compensation, mobile phone, fixed pension payments, other fixed components.
Identified Staff	Employees who can have a material impact on the risk profile of Lightrock NL and/or the UCITS it manages, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers.
Remuneration	All forms of payments made, or benefits granted directly by, or indirectly, but on behalf of Lightrock NL, made in exchange for professional services rendered by Employees. This may include monetary payments or benefits, such as cash, pension contributions, or non-

	monetary benefits such as health insurance, fringe benefits or special allowances.
Variable Remuneration	The part of total Remuneration that is not Fixed Remuneration. Variable Remuneration may consist of a discretionary bonus, profit sharing, and other variable components.

Responsibilities

The Board is responsible for determining and annually reviewing the general principles governing this Policy, taking into account the input of all relevant corporate functions. The Board is responsible for approving and maintaining this Policy and ensuring the implementation thereof.

Working closely with the Board, the Control Functions will assist in determining the overall remuneration strategy applicable to Lightrock NL, having regard to the promotion of effective risk management:

- the Board member responsible for risk management will assess how the Variable Remuneration structure affects Lightrock NL's risk profile. The risk management function will validate and assess risk adjustment data.
- The Compliance Officer will analyse how the Remuneration structure affects Lightrock NL's compliance with legislation, regulations and internal policies.
- The Remuneration attributable to those engaged in Control Functions is directly overseen by the controlling shareholder of Lightrock NL.

Principles of remuneration

4.1 General principles

This Policy seeks to align the personal objectives of staff members with the business strategy, objectives, values and long-term interests of Lightrock NL, its investors, its clients and other stakeholders.

The Policy endeavours to be consistent with, and to promote sound and effective risk management, and should not encourage excessive risk-taking, also taking into account sustainability risks.

4.2 Equal treatment

Lightrock NL is committed to the principle of equal pay for equal work for all Employees and will not discriminate based on race, gender, sexual orientation, political opinion, religion, belief, disability, civil status, age, or nationality.

4.3 Reward for proper behaviour

Risk management requirements and the principle of “rewarding performance and not failure to perform” mean that Employees cannot be guaranteed a Variable Remuneration. Poor performance and unethical or non-compliant behaviour will reduce the individual award or will even lead to no Variable Remuneration or clawback of earlier awarded Variable Remuneration.

4.4 Potential sign-on bonus

When hiring new Employees, a sign-on bonus may be paid, but only in the first year of employment and limited to an amount equal to a full year fixed salary. This is intended to compensate for new employees not receiving Variable Remuneration, deferred or otherwise, from their former employer, and the entire risk alignment cycle (deferrals, potential clawback or downward adjustment etc.) is applied to this. The payout of sign-on bonuses is conditional to the circumstances that Lightrock NL has sufficient own funds and fulfils the solvency requirements as required on the basis of applicable regulation.

4.5 No discretionary pension commitment

No discretionary pension commitment will be made to Employees. “Discretionary pension commitment” for this purpose means one or more one-off pension commitment(s) to individual Employees as part of their Variable Remuneration that does not form part of a collective scheme.

4.6 Severance payments

Severance payments may never represent payment for an Employee’s failure to perform, but reflects that particular Employee’s performance. Lightrock NL must at all times be able to explain to competent authorities the criteria it uses to determine the amount of severance pay.

Accordingly, Lightrock NL shall not pay severance payments in the following circumstances:

- termination of the employment relationship as a result of a serious culpable act or omission by the employee in the performance of their duties;
- termination of the employment relationship at the initiative of the employee, unless this is the result of a serious culpable act or omission on the part of Lightrock NL;
- termination of the employment relationship in case of a failure of Lightrock NL, in the case of a Board member.

Severance payments to Board members shall in no case exceed 100% of the fixed salary.

4.7 Sufficient Fixed Remuneration

The Fixed Remuneration represents a sufficiently high proportion of the total remuneration to Lightrock NL to operate a flexible policy on Variable Remuneration. The Fixed Remuneration is deemed adequate Remuneration for the Employee's proper performance of his or her responsibilities, regardless of whether Variable Remuneration is received. The Variable Remuneration system should lead to appropriate Variable Remuneration benefits and the overall composition of the Remuneration provides for an appropriate balance between Fixed Remuneration and Variable Remuneration.

4.8 Remuneration of Board members

The Remuneration of the members of the Board is consistent with their powers, tasks, expertise and responsibilities. Remuneration of the Board is determined by the controlling shareholder of Lightrock NL.

The Board members representing the controlling shareholder of Lightrock NL are not entitled to receive Variable Remuneration from Lightrock NL.

4.9 Remuneration of Control Functions

The following additional remuneration measures apply to Control Functions:

- 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;
- where Control Functions receive Variable Remuneration, this is based on function-specific objectives and is not determined exclusively on the basis of financial performance criteria;
- the Remuneration structure of Control Functions must not compromise their independence or create conflicts of interest in their advisory role to the Board;
- Control Functions may not be placed in a position where, for example, approving a transaction, making decisions or giving advice on risk and financial control matters could be directly linked to an increase or decrease in their performance-based remuneration.

4.10 No circumvention

Constructions to circumvent this Policy or applicable legislation are not permitted. Variable Remuneration will not be paid through vehicles or methods that facilitate the avoidance of the requirements laid down in this Policy or applicable legislation.

Employees of Lightrock NL are not allowed to use personal hedging strategies or insurance to "compensate" for a downward adjustment, reduction, or lack of Variable Remuneration.

4.11 Available pool for variable remuneration

The maximum annual bonus pool (for the purpose of paying Variable Remuneration) equals Lightrock NL's pre-tax profit in the respective year, where the actual annual available pool within this maximum is discretionary decided on by the Board.

4.12 Sound financial situation for pay out variable remuneration

Lightrock NL ensures that it maintains a prudent balance between maintaining its sound financial situation and the award and pay-out of Variable Remuneration.

Lightrock NL ensures that its financial situation will not be adversely affected by:

- 1) the overall pool of variable remuneration that will be awarded for that year; and
- 2) the amount of variable remuneration that will be paid or vested in that year.

If Lightrock NL, due to the pay out of variable compensation, is unable to maintain a sound financial position, the total amount of Variable Remuneration available is adjusted and the application of downward adjustment or clawback is considered.

4.13 Consistency with Lightrock NL's position in the sector and society

The Policy aims to be consistent with Lightrock NL's position within the wider asset management sector and its position within society. It does so by integrating this principle throughout the remuneration process, including by way of incorporating KPIs for the remuneration of Employees related to compliance with Lightrock NL's sustainability policies. Furthermore, the remuneration policy ensures promoting longer term positive behaviour and professional integrity, and discourages short term risk taking, by Employees.

Variable Remuneration is subject to adjustment if:

- payment of the Variable Remuneration would be unacceptable on the basis of the principles of reasonableness and fairness (*redelijkheid en billijkheid*);
- the relevant Employee has not met acceptable standards of competence or correct behaviour; or
- the relevant Employee was responsible for actions that caused considerable deterioration of Lightrock NL's financial position.

Variable Remuneration is subject to clawback if:

- the decision to grant the Variable Remuneration was made on the basis of incorrect information on the performance of the relevant Employee;
- the relevant Employee has not met acceptable standards of competence or correct behaviour; or
- the relevant Employee was responsible for actions that caused considerable deterioration of Lightrock NL's financial position.

Each year in the context of the appraisal process, the potential reduction or clawback of Variable Remuneration is assessed and decided on by the Remuneration Committee, or by the shareholder where it concerns Board members, following advice from the Compliance Officer.

Policy review

This Policy will be reviewed on:

- at least an annual basis;
- when changes occur in relevant laws and regulations or Lightrock NL's business activities; or
- upon the occurrence of any other event that might have a material impact on Lightrock NL's Remuneration Policy and requires a change thereof.

Such review must assess whether the Policy operates as intended (in particular, that all agreed plans/programs are being covered; that the remuneration payouts are appropriate, and that the risk profile, long-term objectives and goals of Lightrock NL are adequately reflected) and is compliant with applicable law, principles and standards.

The Compliance Officer, in cooperation with the risk management function, is responsible for reviewing and, where necessary, updating this Policy. The Board will approve the amended Policy after having received the advice on the review and update from the Compliance Officer and the risk management function and will ensure that the results of the review are followed up.

Disclosures

A summary of the remuneration policy is published on the website of Lightrock NL as well as in the annual report of Lightrock NL.

The summary contains the amount of people working for Lightrock NL that received a total remuneration exceeding EUR 1,000,000 as well as the total amount of paid out variable remuneration.