



MIFIDPRU Disclosure as at 31st March 2024

QSM Asset Management Ltd ('QSM' or 'the Firm') is authorised and regulated by the Financial Conduct Authority (the "FCA"). The Firm is a UK Limited Company that has been established to provide an alternative perspective on long/short investing in global equity markets. QSM is regulated by the FCA and is classified as a "SNI Investment Firm" and so makes this disclosure in accordance with the requirements contained within MIFIDPRU 8.6. The relevant rules and guidance for the Firm's remuneration code is contained within the FCA's SYSC Sourcebook of the FCA's Handbook. The disclosure requirements have been prepared in line with the MIFIDPRU remuneration codes under SYSC 19G.

The Remuneration Code (the "RemCode") covers an individual's total remuneration - fixed and variable. The Firm incentivises staff through a combination of the two.

QSM's policy is designed to ensure that it complies with the RemCode and its compensation arrangements:

1. Promote effective risk management in the long-term interests of the Firm and its clients;
2. Ensure alignment between risk and individual reward;
3. Support positive behaviours and healthy Firm cultures;
4. Discourage behaviours that can lead to misconduct and poor customer outcomes; and
5. Are on gender neutral basis.

Proportionality

The FCA has sought to apply proportionality with respect to Firm's disclosures. QSM's disclosure is made in accordance with its size, internal organisation, nature, scope and complexity of its activities.

Application of the Requirements

The Firm completes the remuneration disclosure annually on the date the Firm publishes its annual financial statements. As appropriate, this disclosure will be made more frequently if there is a major change to the Firm's business model.

Summary of the Firm's approach to remuneration for all staff, including the decision-making procedures and governance in adopting the remuneration code

- The remuneration policy is in line with the business strategy, objectives, values and long-term interests of the Firm and its clients.
- The Firm operates on an annual total compensation process with a total level of reward that is in line with its peers, and that is dependent on individual and business performance, taking into account financial and non-financial criteria.
- The Management Committee has responsibility for setting, reviewing and ratifying the compensation arrangements at the Firm. The development and review of the remuneration policy is supported by



representatives from the control functions, such as risk management and compliance and by the Firm's senior managers to ensure that the Firm is able to offer competitive compensation in order to attract and retain high quality talent. The review takes place on annually for the Firm and at the recruitment stage for new joiners.

- In relation to the variable compensation, the Management Committee will consult with the relevant control functions as part of its consideration of relevant non-financial metrics, but has the ultimate discretion to adjust the bonus pool and any individual payments made to staff members.
- The Firm is subject to only the basic remuneration requirements and, as such is not required to establish a remuneration committee.

Key qualitative characteristics of the remuneration policies and practices

- In deciding each individual's total compensation, QSM takes into account the need to maintain an appropriate balance between fixed and variable remuneration. There are no staff within QSM who receive only fixed or only variable remuneration.
- Fixed remuneration is agreed at the point of hiring the individual and is in line with prevailing market conditions for the role and specific person, taking into consideration their experience, skillset and educational background.
- Salaries are reviewed at least annually and the amount is taken into account when allocating any variable remuneration to ensure that the total compensation of each individual is within the limits expressed in the Firm's remuneration policy.
- Variable compensation takes the form of cash and is awarded on an annual basis, following an annual performance review/appraisal cycle and subject to discretion.
- Bonuses to individuals will be based on actual past performance and will be determined by the success of the Firm as a whole rather performance of a specific investment. This is to ensure that all staff members at QSM are not motivated by short-term gain which will incentivise adopting a risk-taking approach at the expense of a more prudent risk appetite.
- Individual performance is reviewed on an annual basis and all staff awards are based upon the overall performance of the Firm and the Fund, taking into account financial metrics, function performance, and individual contribution, as well as compliance with the Firm's core compliance policies.

Aggregate quantitative information on remuneration

With respect to the financial period ended 31 March 2024, the total amount of remuneration awarded to all staff interpreted under SYSC 19G.1.24G was as follows:

	Fixed remuneration	Variable remuneration
All staff	£68,114	£0