

The following disclosures have been made for the financial year ended 31 March 2024. Since then, Clear Peak Capital LLP has been renamed as Highlight Investment Management LLP and VT Clear Peak Capital UK Long/Short Equity Fund has been renamed as VT Highlight British Companies Fund

\*\*\*

Clear Peak Capital LLP ('the firm') is authorised and regulated by the Financial Conduct Authority. Since 1 July 2019, Clear Peak Capital LLP acts as the investment adviser to VT Clear Peak Capital UK Long/Short Equity Fund, a UCITS scheme for which Valu-Trac Investment Management acts as the Authorised Corporate Director (ACD).

Starting with the financial year ended 31 March 2023, the firm is required to make disclosures about its remuneration arrangements in accordance with MIFIDPRU.

Clear Peak Capital LLP is classified under MIFIDPRU as a small and non-interconnected MIFIDPRU investment firm ("SNI MIFIDPRU Investment Firm"). As such, the Firm is required by MIFIDPRU 8 to disclose information regarding its remuneration policy and practices. As the firm is not regarded as 'significant', it will comply with the remuneration disclosures set out in MIFIDPRU 8.6 in a manner that is appropriate to its size, internal organisation and the nature, scope and the complexity of its activities.

This disclosure will be made available on our website annually as a minimum, with additional disclosures provided where required.

#### Remuneration Code disclosures

The firm is required to implement and operate a remuneration policy for all staff, which should cover all components of remuneration (including salaries, discretionary pension benefits, benefits of any kind and profit allocations received by a partner or member of an LLP). The MIFIDPRU Remuneration Code applies in respect of remuneration awarded to individuals who are "staff", including partners or members in the case of partnership structures. All current partners of Clear Peak Capital LLP are covered by the MIFIDPRU Remuneration Code.

The firm must ensure that its remuneration policies and practices are consistent with, and promote sound and effective, risk management. It must also ensure that its remuneration policies and practices are in line with the business strategy, objectives and long-term interests of the firm and:

- (1) contains measures to avoid conflicts of interest;
- (2) encourages responsible business conduct; and
- (3) promotes risk awareness and prudent risk taking.

The Executive Committee of the firm is responsible for establishing the firm's Remuneration Policy and for ensuring that it complies with the requirements of the MIFIDPRU Remuneration Code. It has been drawn up on the understanding that the ultimate objective of the MIFIDPRU remuneration requirements is to ensure that remuneration practices and structures do not encourage any behaviour or activity which could be detrimental to, or conflict with, the long-term interest of the VT Clear Peak Capital UK Long/Short Equity Fund ('the Fund') and the investors in the Fund.

The firm does not have a Remuneration Committee on the grounds that such a committee is not merited by its size and the complexity of its activities.

### Remuneration policy

All the remuneration received by the partners relates to the division of profits generated by the firm. The basis for the division is set out in the LLP agreement but covers the following three broad areas:

- an initial tranche of profits for the Accounting Period is divided amongst the Members in the proportions of their respective Percentage Entitlements;
- thereafter, an amount of profits, is designated by the Chief Investment Officer as a Discretionary Allocation Pool and allocated amongst the Members in the proportions and amounts determined by the Chief Investment Officer; and
- any remaining balance of profits is then allocated to the Members in the proportions of the respective Percentage Entitlements

The level of profits available for distribution to the partners is closely linked to the assets under management within the Fund to which it acts as investment adviser and is dependent both on flows into and out of the Fund and its long-term performance. Given this structure, the partners believe that the interest of the firm, the partners and the investors in VT Clear Peak Capital UK Long/Short Equity Fund are appropriately aligned.

Given the scale of the firm's operations, control functions are undertaken by the partners. The remuneration of each of those partners is determined by reference to the overall profitability of the business and it is not considered appropriate for the remuneration of those individuals to be split between their control function and any other role they may undertake.

A firm must ensure that total variable remuneration does not limit the firm's ability to strengthen its capital base. All decisions on remuneration have been taken on the clear understanding of the need to meet regulatory capital requirements at all points.

### Quantitative remuneration disclosure

During the financial year ended 31 March 2024, the total remuneration paid by the firm was £280,000 all of which has been categorised for the purposes of the MIFIDPRU Remuneration Code as fixed remuneration.

The Firm's remuneration policy and practices are reviewed annually by the Executive Committee.