

Remuneration policy

FUTURE FOOD FUND

Impact door ondernemers



Remuneration policy Future Food Fund

The remuneration at Future Food Fund consists of two parts: a fixed fee and/or salary, and variable carried interest

1. Fixed fees and salaries

- Partners of the Future Food Fund are paid a fixed annual management fee in line with market rates, with inflation correction where possible
- All partners are paid an equal management fee, pro-rated to their time spent as defined in their respective management contracts
- Employees of the Future Food Fund are paid a salary in line with market rates, with inflation correction where possible
- FFF management will ensure fair and equal pay amongst all of its staff; all management fees and salaries will be communicated to all staff on an annual basis, at the moment that inflation corrections are established for the coming year
- FFF lacks any form of incentives for its employees in excessive risk taking (such as sustainability risks). No partner or employee will be paid out any bonuses
- This part of the remuneration policy is governed by the partners of Future Food Fund

2. Carried interest

General

- To have an effective system of managing risks (including sustainability risks) all employees - specifically those that play a role in investment decisions - are required to take into account careful and diligent decision making when making investment decisions.
- Payment of carried interest at FFF reflects the success of the company and is based along multiple KPI's (both financial and non-financial).
- Aforementioned KPI's are aligned with the long-term interest of the entity Carried interest.
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Future Food Fund II:

- Partners and Investment Directors are entitled to carried interest (carry), consisting of 20% of the distributions over and above the fund hurdle rate. This carry is allocated based on time spent with some adjustments based on contribution to the fundraising effort.
- Carried interest is not paid out if the risks (including sustainability risks) were not within the risk appetite of the fund.
- 50% of this carry will be paid out depending on whether the fund's impact targets are met. These targets will be set and progress against these targets will be measured at the



individual portfolio company level, with the overall fund impact target consisting of the weighted average of these separate targets.

- The other 50% of this carry will be paid out independent of the fund's impact targets
- The pay out of the 50% of the carry that depends on impact targets (Impact Carry) will be as follows:
 - <60% of fund impact target met: No carry payout
 - 60-80% of fund impact target met: carry payout 50-100%, linearly increasing with impact target
 - 80%+ of fund impact target met: 100% of carry payout
- In case <100% of the carry is paid out, the amount that is not paid out will be donated to a charity to be identified by FFF Management jointly with the Impact Board
- Future Food Fund has a separate Impact Board (IB) to advise on the setting (pre investment) and tracking of these targets as well as establishing in how far the ultimate fund impact target is met and sustainability risks have been managed. For the avoidance of doubt, the IB has an advisory role and is not entitled to any carried interest. Only the external member of the IB (one person) is entitled to a nominal fee for their time spent.
- The targets as well as the progress against these will be captured in an annual impact report
- The ultimate decision-making body to approve the pay out of the Impact Carry is the Limited Partner Advisory Committee (LPAC), consisting of 5-7 representatives of the fund's largest investors. LPAC members are not entitled to any carried interest nor receive any form of remuneration.

Future Food Fund I (closed for new investments):

- The partners are entitled to carried interest (carry), consisting of 20% of the distributions over and above the fund hurdle rate.
- For this fund, the carry is not linked to any impact targets as this fund has not been set up as an impact fund. 100% of the carry will be paid out as long as the financial hurdles are met and the risks (including sustainability risks) were within the risk appetite of the fund
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