CABEI Central American Fund plc (the Company)

Remuneration Policy

March 2016

Introduction

The European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended by the European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016 (S.I. No. 143 of 2016) (as may be further amended, updated or replaced from time to time) (the Regulations) require that the Company establishes and applies remuneration policies and practices that are

i) consistent with and promote sound and effective risk management;

ii) do not encourage risk taking that is inconsistent with the risk profiles, prospectus or articles of association of the Company; and

iii) do not impair compliance with the Company's duty to act in the best interests of its sub-fund (the Fund).

The Company also relies on the "ESMA Guidelines on Sound Remuneration Policies Under the UCITS Directive and AIFMD (Final report)" (the ESMA Remuneration Guidelines) to inform this policy.

The purpose of this document is to set out remuneration policies and describe remuneration practices for the Company. The policies and procedures set out herein take into consideration the need to align risks, in terms of risk management and exposure to risk. The policies set out herein are in line with the business strategy, objectives and interests of the Company.

The nature and range of the Company's activities, its internal organisation and operations are, in the opinion of the Company's board of directors (the Board), limited in their nature, scale and complexity (i.e. to the business of an investment company engaging in collective portfolio management of investments of capital raised from the public). The foregoing is reflected in the manner in which the Company has addressed certain requirements regarding remuneration imposed upon it by the Regulations and the ESMA Remuneration Guidelines.

The Company has appointed designated persons (the Designated Persons) to carry out management functions under the Company's business plan.

The Company, the Board and the Designated Persons

The Company is a self-managed UCITS investment company. All directors of the Company (the Directors) are non-executive. Each Director and each Designated Person is appointed pursuant to a letter of appointment with the Company. The Company has informed the Central Bank through the authorisation process that it has no additional employees.

Appointment of the Investment Manager

The Company has delegated the performance of the investment and re-investment of the assets of the Company to Deutsche Asset Management Investment GmbH (the Investment Manager)

As noted below, the Company relies on the remuneration policy and procedures of the Investment Manager to ensure that their remuneration structures promote a culture of investor protection and mitigate conflicts of interest.

Identified Staff
The Regulations provide that the remuneration policies and practices shall apply to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers whose professional activities have a material impact on the risk profile of the Fund.

The Company has appointed the Board and the Designated Persons and has no additional employees. Accordingly, the remuneration provisions of the Regulations only affect the Company with regard to the Board and the Designated Persons. Pursuant to the letter of appointment between each Director and the Company, each Director is paid a fixed fee based on an expected number of meetings and the work required to oversee the operations of the Company, which is considered to be consistent with the powers, tasks, expertise and responsibility of the Directors. The fee payable to each Director is reviewed from time to time, based on the evolution of the Company’s activities. The aggregate fees payable are disclosed in the prospectus of the Company.

The Directors do not receive performance-based variable remuneration, therefore avoiding any potential conflicts of interest.

Delegation of Investment Management Activities

The Board notes that the ESMA Remuneration Guidelines require the identification of “identified staff”, being those categories of staff of the Company and of any entities to which investment management activities have been delegated by the Company whose professional activities have a material impact on the risk profile of the Fund.

The Investment Manager has been appointed to carry out certain investment management functions for the Company and may have identified staff whose professional activities could have a material impact on the risk profile of the Fund within the meaning of the ESMA Remuneration Guidelines.

The Central Bank of Ireland (the Central Bank), which regulates the Company, has indicated that it regards entities which are regulated under the European Communities (Markets in Financial Instruments) Regulations 2007 and Commission Regulation (EC) No. 1287/2006 (MiFID) as being subject to regulatory requirements on remuneration that are equally as effective as those that apply under the Regulations. The Investment Manager is regulated by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht or BaFin) and is MiFID authorised. As such, the Central Bank is satisfied that the Investment Manager is subject to regulatory requirements on remuneration that are equally as effective as those applicable under the Regulations.

Requirement for Remuneration Committee

Given the internal organisation of the Company as a self-managed UCITS investment company, and considering the size of the Company and the limited nature, scope and complexity of its activities, it is not considered necessary for the Company to establish a remuneration committee. Factors supporting the view that a remuneration committee would not be considered appropriate for the Company are:

* the fact that shares of the Company are not listed on any exchange;
* the quantum of the net assets of the Fund; and
* the legal structure of the Company as a self-managed UCITS investment company with a board of directors and no other employees.

Although not currently listed, the fact that shares in the Company may be listed at a future date will not change the above analysis.

Disclosure

The Company will comply with the disclosure requirements set out in the Regulations. The total amount of remuneration for the financial year paid by the Company to its staff, the aggregate amount of remuneration...
broken down by the relevant categories of employees (i.e. the Directors), a description of how the remuneration has been calculated and any material changes to this remuneration policy will be disclosed in the Company’s annual audited financial statements.

**Reporting**

The Board receives confirmation from the Investment Manager on an annual basis of any changes that have been made to its remuneration policy, or confirmation that there have been no material changes.

**Appropriateness of policy and conflicts of interest**

Given its internal organisation and the limited nature, scale and complexity of the Company’s activities, it is considered that the policies described in this document are appropriate for the Company. Together with the Company’s Conflicts of Interest Policy, the Board considers that there are suitable measures in place to promote effective supervision and risk management.

**Review**

This policy and the implementation thereof will be reviewed by the Board at least annually.