

REMUNERATION POLICY

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1. Background

WRM Capital Asset Management S.A.R.L. ("**Company**") is an alternative investment fund manager authorised by the Luxembourg regulator of the financial sector (Commission de Surveillance du Secteur Financier; "**CSSF**") in Luxembourg under Article 5 of Law of 12 July 2013 relating to alternative investment fund manager ("**AIFM Law**") providing the activities referred to Annex I of the aforementioned law.

The purpose of this document is to describe the remuneration practices and to demonstrate the Company compliance with the relevant legal and regulatory requirements including without limitation the AIFM Law and the ESMA Guideline (as below defined). This Policy also aims at identifying individuals who, due to their role and / or responsibilities, could potentially have a material impact on their risk profile or that of the Alternative Investment Funds ("**AIFs**") they manage.

This Policy is based *inter alia* on the principles that the remuneration structure should not encourage excessive risk-taking and that the remuneration of individual employees should not be in conflict with the IFM's long-term interests or inconsistent with the risk profile, rules or instruments of incorporation of the AIFs managed by the Company. Moreover, this Remuneration Policy is consistent with the business strategy, objectives, values and interests of the Company and the AIFs managed by the Company or the interests of investors of these AIFs and includes measures to avoid conflicts of interest.

This Policy is binding and applies to remuneration of any type paid to all employees in the Company unless otherwise provided therein. The Policy is adopted by the board of directors of the Company ("**Board**"). The conducting officers of the Company ("**Conducting Officers**") are responsible for the implementation of the Policy under the supervision of the Board. The Company maintains a remuneration policy which is consistent with, and promotes, sound and effective risk management. The Company do not promote risk taking which is inconsistent with the risk profile of the investment products that it manages.

The Company has acknowledged that integration of sustainability risks as well as considering adverse sustainability impacts of its own operations are critical for the long-term success of the Company. Therefore, the remuneration structure includes measures to ensure that the integration of sustainability risks and adverse sustainability impacts are taken into accordance account in the remuneration of relevant employees.

2. Governance and Oversight

Board of Directors and compensation principles

The Company strongly believes that its Companywide compensation philosophy and its implementation fosters proper governance and regulatory compliance. That philosophy is subject to oversight and control by the Board, and to the extent applicable the shareholders of the Company (“**Shareholders**”). Among the Board members one of them is independent director.

The Board oversees the Company’s compensation programs throughout the year, which enables the programs to be proactive in addressing both current and emerging developments or challenges. The key Board responsibilities related to the Company’s compensation programs include:

- Periodically reviewing and approving a statement of the Company’s compensation philosophy, principles and practices;
- Reviewing the Company’s compensation practices and the relationship among risk, risk management and compensation (including safety and soundness and avoiding practices that could encourage excessive risk taking);
- Adopting pay practices and approving any necessary formulas, performance metrics or pool calculations in compliance with applicable law, regulatory, statutory or governance requirements
- Reviewing and approving overall incentive compensation pools;
- Reviewing the business-aligned incentive compensation plan governance, design and evaluation framework;
- Reviewing over multiple meetings and approving compensation for the Company’s operating unit and, in case of the nomination of a CEO, making a compensation recommendation to the Shareholders for consideration and ratification by the independent director[s];
- Reviewing and approving the design and terms of compensation awards, including recovery/clawback provisions, as applicable;

Additionally, the Board holds an annual *ad hoc* meeting with the Company Head of HR responsible to review the Companywide HR and compensation practices, including:

- How the Company integrates risk, controls and conduct considerations into key HR practices including performance development, compensation, promotion and succession planning, as applicable
- Compensation features and elements designed to discourage imprudent risk-taking (e.g. clawbacks, prohibition on hedging, etc.)
- Annual incentive pool processes for lines of business and functions;
- Regulatory updates which have impacted or may impact HR practices in the future

The Board shall also decide on:

- the remuneration of the Conducting Officers
- the forms of variable compensation that shall be offered in a given year,
- the payment of variable compensation for the past performance period/s, and
- whether deferred variable compensation shall be paid in full or not.

The Board may in respect of deferred variable compensation decide:

- to cancel the compensation in whole or in part if it later turns out that the employee, unit or company performance has not met the performance criteria, and
- to cancel the payment in whole or in part or to further defer it if the IFM's financial position deteriorates significantly.

Implementation guidelines

The Conducting Officers are responsible for determining detailed rules and procedures concerning remuneration for each year in accordance with this Policy.

Compensation Philosophy

The Company's compensation philosophy provides the guiding principles that drive compensation related decisions across all levels of the Company. The compensation philosophy promotes an equitable and well-governed approach to compensation which includes pay-for-performance practices that attract and retain top talent in a competitive market, is responsive to and aligned with shareholders, reinforces the Company's culture and business principles, and integrates risk, controls, and conduct considerations.

The table below sets forth a summary of the Company's compensation philosophy:

<p>Paying for performance and aligning with shareholders' interests</p>	<ul style="list-style-type: none"> • In making compensation-related decisions, the Company focuses on risk-adjusted performance (the Company's risk and control professionals help contextualise the risk taken to achieve the return) and rewards behaviours that generate sustained value for the Company. This means that compensation should not be overly formulaic, rigid or focused on the short term.
<p>Encouraging a shared success culture</p>	<ul style="list-style-type: none"> • Teamwork and leadership should be encouraged and rewarded to foster a culture that supports the Company's business principles. • Contributions should be considered across the Company, within business units, and at an individual level when evaluating an employee's performance.
<p>Attracting and retaining top talent</p>	<ul style="list-style-type: none"> • The Company's long-term success depends on the talents of its employees. The Company's compensation philosophy plays a significant role in its ability to attract, properly motivate and retain top talent. • Competitive and reasonable compensation should help attract and retain the best talent to grow and sustain the Company's business.
<p>Integrating risk management and compensation</p>	<ul style="list-style-type: none"> • Risk management, compensation recovery, and repayment rules should be robust and designed to encourage behaving with standards of integrity that are required by the Company's culture and business principles. Excessive risk-taking should be deterred. • Conduct matters should be reviewed following the Company frameworks. • Recoupment rules should include recovery of cash compensation.
<p>No special perquisites and non-performance based compensation</p>	<ul style="list-style-type: none"> • Compensation should be straightforward and consist primarily of cash incentives.

	<ul style="list-style-type: none"> The Company does not have special retirement or other special benefits for executives in general, nor does it have any change in control agreements, golden parachutes, merger bonuses, or other special severance benefit arrangements for executives.
Maintaining strong governance	<ul style="list-style-type: none"> Strong corporate governance is fostered by independent oversight by the independent directors of the Company compensation program, including defining the Company's compensation philosophy, reviewing and approving the Company's overall incentive compensation pools, and approving compensation for the employee, including the terms of compensation awards. The Company has a rigorous process in place to review risk, control and conduct issues at the Company, line of business, functional, which can impact compensation pools as well as reduce compensation at the individual level, in addition to other employee actions.
Transparency with shareholders	<ul style="list-style-type: none"> Transparency to shareholder(s) regarding the Company's executive compensation program is important. The Company discloses all material terms of its executive pay program, and any actions on the part of the Company in response to significant events, as appropriate.

Alignment of pay practices with compensation philosophy

The effectiveness of the Company's compensation program is dependent on the alignment of sound pay for-performance practices with its compensation philosophy as illustrated in the table below:

<p>Principles-based compensation philosophy Guiding principles that drive compensation related decision-making across all levels of the Company.</p>	<p>Competitive Benchmarking The Company benchmarks pay levels and pay practices against relevant market data.</p>
<p>Clawback Provisions Comprehensive recovery provisions enable the Company to require repayment of previously compensation, if appropriate.</p>	<p>Risk, Controls, and Conduct impacts pay The Company considers material risk, controls, and conduct issues and makes adjustments to compensation, if appropriate.</p>
<p>Pay-at-Risk Appropriately balanced short-, medium-, and long-term incentives that are linked to long-term, sustainable value, safety and soundness</p>	<p>Robust Shareholder Engagement Each year, the Company receives feedback from Shareholder[s] on a variety of topics, including the Company's compensation programs and practices.</p>

Regulatory considerations

As a financial services business, the Company is subject to multiple regulations on compensation. Many of these regulations require the Company to identify employees who, due to their role and / or responsibilities, are designated as "material risk takers" (also referred to as "**Identified Staff**"). Often Identified Staff are governed by more prescriptive rules in respect to their compensation, including the structure of their incentive (variable) compensation. The Company does not pay variable remuneration through vehicles or methods that are intended to facilitate non-compliance with any applicable remuneration rules. Under the Alternative Investment Fund Managers Directive ("AIFMD") the Company also required to identify individuals who, due to their role and / or responsibilities, could potentially have a material impact on their risk profile or that of the ("AIFs") they manage. Individuals are designated as

Identified Staff under AIFMD based on the guidance set out by the European Securities and Markets Authority (“**ESMA Guidelines**”) and any applicable local regulations including without limitation the Circular issued by the Luxembourg supervisory entity of the financial sector, the *Commission de Surveillance du Secteur Financier* (“**CSSF Circulars**”).

Individuals classified as Identified Staff for the Company may include (but are not limited to):

- Executive and Non-Executive members of the Board,
- Senior management such as Conducting Officers
- Heads of Risk, Compliance, AML and Internal Audit and, if applicable, their relevant direct reports,
- Heads of ‘material business units’ and, if applicable, their relevant direct reports,
- Heads of key functions, including Finance, Human Resources, Technology and Legal,
- Heads of Portfolio Management and other senior Portfolio Managers (depending on the size and materiality of the funds they manage),
- Individuals whose total compensation for the prior performance year was €250,000 or more and who are deemed to have a material impact on the risk profile of the Company.

The Identified Staff groups are reviewed on an ongoing basis and Identified Staff are notified of their status and any impact on their remuneration structure. The Board periodically reviews the Company’s compensation philosophy and its implementation, which include pay-for-performance practices that attract and retain top talent, are aligned with shareholders, reinforce the Company’s culture and business principles, integrate risk, controls, and conduct considerations, and comply with relevant requirements. The Board receives updates on material regulatory developments which may impact remuneration structure or practices to understand the Company’s obligations in this area. In addition, where applicable, the Board is responsible for reviewing and adopting, at least annually, the terms of the applicable remuneration policy, and overseeing its implementation as it applies to the entity.

The Company’s Risk and Compliance functions are involved in the review of the applicable remuneration policy, including reviewing the approach to the identification of its Identified Staff. The Internal Audit function regularly conducts independent testing that includes an evaluation of the design, implementation and effectiveness of the Company’s remuneration policy, including an assessment of compliance with regulatory requirements, and its findings are presented to the Boards.

Measures taken to avoid conflicts of interest

The Company’s compensation governance practices contain several measures to avoid conflicts of interest, including the following:

- one member of the Board is independent director and provides independent oversight and control of the Company’s compensation philosophy;
- All employees that are part of the Company’s annual review process are evaluated against common performance dimensions to help facilitate a balanced assessment of employee performance. Employees in roles which could expose the Company to greater risks, including Identified Staff, are subject to a more disciplined evaluation process;
- There is active engagement, transparency and assessments of risk and control issues by Risk¹, Compliance² and Internal Audit³ (“**Control Functions**”) heads, senior management such as the Conducting Officers,⁴ and subject matter experts across the Company;
- Remuneration for the Control Functions is determined by reference to independent objectives;
- The Company’s Chief Executive Officer, Chief Risk Officer, Chief Financial Officer and Director of Human Resources review incentive compensation pool recommendations which are then presented to the Q4 Board of each year. Additionally, the Board holds an annual ad hoc meeting

¹ One Conducting Officer also acts as Risk Management Officer

² One Conducting Officer also acts as Compliance Officer

³ The internal audit function has been outsourced to an external internal auditor;

⁴ To the extent that he/she is responsible for the preparation of the financial statements

with the Company human resources responsible to review the Companywide HR and compensation practices as detailed hereabove;

- Individual compensation decisions are also subject to oversight and governance, including HR review. Highly paid individuals are subject to further review by the HR and the Board;
- Strong clawback and recovery provisions enable the Company to require repayment of previously awarded compensation, if appropriate;
- Performance development and related compensation processes focus on delivering products and services to maintain a focus on safeguarding, developing and deepening long term and sustained client relationships based on client needs;
- A portion of the variable remuneration for certain of the investor population (including Portfolio Managers and Research Analysts) of the Company are subject to a mandatory deferral that track the funds they manage/contribute to. The Company has assessed the potential conflicts of interest arising from this arrangement and is satisfied that the best interests of clients are better served by aligning variable pay to the performance of the funds under management.

3. Principle of proportionality

The Company has taken into consideration the principle of proportionality in the sense that the Company, as a AIFM shall comply with the principles stated in the AIFM Law, the ESMA Guidelines and the CSSF Circulars in a way and to the extent that is appropriate due to their size, internal organisation and the nature, scope and complexity of their activities.

Considering more specifically:

a. The size of the Company and of the assets under management

- The Company has 5 AIFs under management (including 8 active sub-funds) with total value of assets under management ca € 950 M as at Q3 2022;
- The Company has 8 full time employees;
- The Company has no branches or subsidiaries

b. Internal organization

- Legal structure: S.A.R.L.
- Complexity of the internal governance: standard internal governance;
- Listed on Regulated market: No.

c. Nature, scope complexity of activities

- Type of authorized activity: Collective management of AIFs

d. The delegation of activities

- The Company does not delegate the portfolio management function, nor the risk management functions.

The Company is of the opinion that given the actual size, complexity and risk profile, it would be appropriate to make use of the principle of proportionality as regards the following requirements regarding remuneration:

- The requirements on pay-out processes for Identified Staff including:
 - a. payment of variable remuneration in non-cash instruments and retention period;
 - b. Deferral requirements.
 - c. Ex-post incorporation of risk (*Malus*).
- The requirement to establish a *remuneration committee*.

4. Beneficiaries

Board members

The Company pays a fixed remuneration to the independent member of the Board while non-independent directors receive no compensation. Non-Executive director(s) receives only fixed compensation, based on their experience, role and time commitment. Where a Non-Executive director also performs an executive role within another part of the Company, the individual's variable compensation reflects only their executive duties. Such Non-Executive director(s) may still be eligible to receive a fixed annual fee based on their time commitment.

Conducting Officers

The remuneration of the Conducting Officers is determined by the Conducting Officer in charge of HR in co-ordination with the Group Head of HR and under the supervision of the Board.

Conducting Officers who are also members of the Board, if any, are prohibited from attending the discussion, handling and deciding on their remuneration.

Control Functions

The remuneration level of staff in the control functions should allow the Company to employ qualified and experienced personnel in these functions. The variable remuneration paid to the Control Functions is determined by the Board based on the achievements and objectives of their functions and on function-specific objectives and should not be determined solely by the Company-wide performance criteria. The remuneration structure of Control Functions personnel should not compromise their independence or create conflicts of interest in their advisory role to the Board. If remuneration of the Control Functions includes a component based on Company-wide performance criteria, the risk of conflicts of interest increases and, therefore, it shall be properly addressed before any variable remuneration is paid. Conflicts of interest which might arise if other business areas had undue influence over the remuneration of staff within control functions shall be adequately managed. The need to avoid undue influence is particularly important where staff members from the control functions are embedded in other business areas. However, the views of other business areas should be sought as an appropriate part of the assessment process. Control Functions should 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.

Identified Staff

The Company's executive and non-executive Board members, Conducting Officers (and other senior managers as the CFO), Control Functions, staff responsible for heading the investment management and other Risk takers, shall be included in the definition of identified staff, unless they have no material impact on the Company's risk profile or on a AIF it manages.

Risk takers

the following Risk takers have been identified: collective portfolio managers, investment committee members, and traders.

Staff

The remuneration of the Staff is determined by the Conducting Officer of HR with the assistance of the Group Head of HR and under the supervision of the Board.

Remuneration Committee

By virtue of the principle of proportionality, the Company does not have a remuneration committee.

5. Special rules for remuneration

Fixed compensation

Fixed compensation affects the Company's financial stability. Therefore, a prudent setting of salary levels is crucial. The Company's fixed salaries shall be competitive but not market leading. They shall amount to a sufficient portion of total compensation to ensure that the employees are not dependent on variable compensation. Changes in salaries and setting of salaries when hiring people shall be based on facts, such as market data.

Variable compensation

Variable compensation systems shall be designed to create financial stability and value for the Company.

Variable compensation is furthermore an important tool in order to ensure that remuneration packages offered to employees are in line with conditions on the market and to make it possible to differentiate compensation between employees based on performance. Variable compensation may consist of short-term incentive programs, long-term incentive programs and discretionary rewards in the form of gratuities and shall be governed by the following principles:

- Variable compensation shall encourage long-term value creation and be based on a well-balanced risk horizon;
- Variable compensation shall increase with increased responsibility and with the ability to influence the work of others and the profitability of the Company;
- Variable compensation shall as a rule be based on a combination of the performance of the individual, the business area and/or business unit concerned, the overall results of the Company assessed on the basis of a predefined framework, as determined by the Board;
- Variable compensation shall be designed in a way that excessive risk-taking is avoided;
- In the setting of targets, targets that by their nature seek to balance risk should primarily be used. Where possible, targets connected to the result of the business area/business unit shall be based on public quantitative indicators;
- Programs for variable compensation shall always include triggers and caps on the payment of variable compensation;
- All variable compensation guidelines and all target documentation on variable compensation shall include a clause that gives the Board or the person the Board determines, the right to determine the compensation to zero (0) if it is necessary due to the Company's financial situation or a staff member's actions;
- When the compensation of an individual employee is determined, also qualitative criteria like the requirement that the employee follows internal and external rules for the business should be taken into account. Evaluation of targets should be conducted continuously and the grandparent principle always applies.

Variable compensation shall be paid in the form of a bonus in cash, payable at 100% on the payment day following the allocation, as determined by the Board, unless deferred. According to this Policy Variable compensation shall not be paid through vehicles or methods that facilitate the avoidance of the requirements of the AIFM Law.

Balance between fixed and variable compensation

If an employee's remuneration includes a variable component, there shall be an appropriate balance between the fixed and variable parts. What is an appropriate balance will vary between different categories of staff and shall be decided by the Board through the annual approval of levels and contents of the variable compensations that shall be offered in a given year. The total variable compensation may not be of a size that threatens or limits the ability to strengthen the Company's capital base.

Limitation of guaranteed variable compensation

A guaranteed variable remuneration is permitted only in conjunction with new employment and shall then be limited to the first year. Remuneration in the form of so-called "stay-on bonus" is not allowed. A "golden parachute" may be awarded to employees leaving the Company for their performance achieved over time only where it is ensured that such variable remuneration does not reward failure of any kind.

Deferred payment or loss of variable compensation

The rules in this paragraph shall also apply to payments during the period of notice or after the employment has ended due to resignation or retirement or in case of death of the employee. For any employee who receives variable compensation, at least 40 per cent of the variable compensation shall be deferred for three years if that employee has a maximum variable compensation exceeding 50 % of the yearly fixed salary. The right to deferred compensation is not waived only because the employment in the Company ceases. However, if an employee resigns or is dismissed due to negligence of duties or other reasons attributable to the person himself/herself, any deferred variable compensation related to the negligence of duties shall not be paid.

Hedging strategies

The employees of the Company may not use personal hedging strategies or remuneration and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements. The Conducting Officers shall be responsible to monitor the use of such strategies by all employees entitled to variable compensation.

Pension policy

There are currently no discretionary pension benefits paid to the employees. The employees may benefit only from a defined contribution pension scheme.

6. Appraisal process within the Company

Where remuneration is performance related, the total amount of remuneration is based on a combination of the assessment of the performance of the individual and of the business unit or AIF concerned and of the overall results of the Company.

Such assessment includes financial and non-financial criteria (i.e. qualitative criteria that reflect compliance with the applicable regulations, the fair treatment of clients and the quality of services provided to clients and individual long-term contribution and commitment to the AIFM's environmental, social and governance ("**ESG**") approach).

The assessment of the performance is set in a multi-year framework appropriate to the life-cycle of the AIFs managed by the Company in order to ensure that the assessment process is based on longer term performance.

The Company does not remunerate or assess the performance of its employees in a way that conflicts with its duty to act in the best interests of its clients. In particular, the Company shall not make any arrangement by way of remuneration, sales targets or otherwise that could provide an incentive to its staff to recommend a particular financial instrument to a client when the AIFM could offer a different financial instrument which could better meet that client's needs.

The measurement of performance used to calculate variable remuneration components or pools of variable remuneration components includes a comprehensive adjustment mechanism to integrate all relevant types of current and futures risks.

7. Reporting, monitoring and control

Reporting

The Conducting Officers shall report to the Board annually on the fulfilment of the conditions for pay-out from short-term and long-term incentive programs, the pay-out amounts from these programs and on any deviations from this Policy.

Monitoring and control

In accordance with applicable regulatory provisions, the review of the implementation of this Policy falls within the scope of the controls made by the Internal Auditor and the Compliance Officer of the Company at least on an annual basis. The Control Function shall, in the event of major findings, immediately report the results of the audit to the Board and shall, in any event, report all audit results to the Board at least annually. Copies of such reports have to be kept to the disposal of the CSSF.

8. Information

Disclosure of information on remuneration

The present Policy is at the disposal of the CSSF, the Board, the Conducting Officers, the Internal Auditor and the Compliance Officer of the Company. As required by the AIFM Law, details of the Policy, including the persons in charge of determining the fixed and variable remunerations of staffs, a description of the key remuneration elements and an overview of how remuneration is determined, will be available on <https://wrmgroup.net>. A paper copy of the Policy is available free of charge to the investors of the AIFs managed by the Company upon request.

Information to employees

The general principles of the Policy shall be available to the employees of the Company. The employees shall be informed about the remuneration criteria and the appraisal process.

9. Update and approval

This Policy shall be reviewed by the Conducting Officers and by the Group Head of HR and approved by the Board annually and every time deemed necessary in respect of regulatory changes, market changes or changes within the Company.