

Remuneration Procedure

FINEXIS S.A.

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Contents

1. Introduction	3
2. Remuneration policy	3
2.1 Purpose.....	3
2.2. Applicable legislation	3
2.3. Structure of the policy.....	3
2.4 Appendix 2 of the Luxembourg law of 12 July 2013 on alternative investment funds managers	4

1. Introduction

The present procedure is meant to describe the general and specifics of the remuneration principles applied at FINEXIS S.A. (hereinafter referred to as "the Company" or "FINEXIS") in regards to the members of the administrative and management bodies, as well as the staff.

The nature, size and specific scope of activities of FINEXIS are taken into account in this procedure.

2. Remuneration policy

2.1 Purpose

The purpose of this procedure is to implement and maintain a remuneration policy compatible with and in favour of sound and effective risk management and not leading to excessive risk taking.

The remuneration policy is aligned with the Company's strategy, objectives, values and long-term interests, which can be summed up as a desire for sustainable and controlled growth, in accordance with the principles governing the protection of clients and investors for the entire duration of the business relationship.

2.2. Applicable legislation

- The AIFMD Directive, as transposed in Luxembourg by the Law of 12 July 2013 on Alternative Investment Fund Managers;
- The UCITS V Directive, as transposed in Luxembourg by the law of 17 December 2010 on undertakings for collective investment (as amended);
- The CSSF Circular 10/437 on remuneration policies in the financial sector;
- The ESMA "Consultation Paper" on the guidelines for remuneration policies governed by the UCITS and AIFMD Directives ("ESMA Guidelines").

2.3. Structure of the policy

The remuneration principles set out in this policy refer to the recommendations of the European Commission and ESMA, the "Guidelines on Executive and Director Remuneration" published by the Luxembourg Institute of Directors, the Appendix 2 of the 2013 AIFM Law, as well as to the specific guidelines set out in CSSF Circular 10/437, regarding the remuneration policy for financial institutions.

The Board of Directors undertakes to implement these principles to all staff members and directors of the Company.

Our remuneration procedure complies with CSSF Circular 12/546 and CSSF Circular 10/437 and includes the following elements:

- no bonuses for our directors in their personal capacity;
- from 2017 on, the Company has begun paying dividends to shareholders;
- no cars or official residences;
- from 2017 on, the Company has decided to allocate meal vouchers to employees in value of 10.80 euros per meal voucher, out of which 8 euros are paid by the Company;
- from 2017 on a work phone has been provided to each manager;
- a pension plan representing 10% of the gross of annual salary as at 1 January of each year subscribed with *La Luxembourgeoise*. All employees on permanent contracts are granted the pension plan, without restrictions or conditions of entry;
- interest subsidies on mortgages and personal loans with statutory tax ceilings (e.g. 3000 * 2 and 500 * 2, if married), are provided to all employees on permanent contracts;
- bonuses are given in priority to the most deserving employees of the year;
- wage increases are allocated primarily to the lowest wages in the Company, in order to maintain a maximum gap of 1 to 10;
- time management: a time savings account allows employees to accumulate vacation days from one year to the next, hour flexibility being very important;
- the employment contract template and benefits in kind (pension plan, interest subsidy) are strictly the same for all members of staff. The Company promotes an active policy on gender equity. The Company makes no distinction as to the sex, age, nationality, religion, or possible disability of its employees.

In order to avoid any risk taking, the employments contracts do not provide for any remuneration related to the performance of the funds managed by the Company.

2.4 Appendix 2 of the Luxembourg law of 12 July 2013 on alternative investment funds managers

The below represents the results of a "GAP analysis" performed annually by the Company of its remuneration policy in comparison with Appendix 2 of the 2013 AIFM Law:

- 1)
 - a) As the remuneration is fixed, excessive risk-taking is not encouraged;
 - b) The remuneration being fixed any conflict of interest is avoided;
 - c) The remuneration policy is reviewed once a year;
 - d) Respected;
 - e) The remuneration is by definition independent of performance, as it is fixed;
 - f) Not applicable because the remuneration is fixed;
 - g) Not applicable because the remuneration is fixed;
 - h) Not applicable because the remuneration is fixed;
 - i) Not applicable because the remuneration is fixed;
 - j) Not applicable because the remuneration is fixed;
 - k) Not applicable because the remuneration is fixed;
 - l) Not applicable because the remuneration is fixed;

- m) Not applicable because the remuneration is fixed;
- n) Not applicable because the remuneration is fixed;
- o) Not applicable because the remuneration is fixed;
- p) The payment of a supplementary pension and a fixed part of the income and therefore not variable and independent of the function of the person. All of the Corporation's staff earns the same percentage of gross salary. This amount remains acquired after two years;
- q) Not applicable;
- r) Not applicable because the remuneration is fixed.

2) Not applicable because the remuneration is fixed.

3) In view of the simplicity of the remuneration policy for FINEXIS employees, a compensation committee is not necessary.