

REMUNERATION POLICY

Updated on 31/01/2017

This policy aims to promote sound and efficient risk management. It does not encourage risk-taking, which would be incompatible with the profiles of the products managed by the company. It also aims to ensure consistency between employee practices and the asset management company's long-term objectives. The policy is designed to prevent conflicts of interest between the asset management company, the UCITS and the investors.

Responsible authority: The Management Committee is responsible for determining and implementing the internal remuneration policy. At least once a year, it re-examines and if necessary updates the general principles of the remuneration policy and sees that it is distributed throughout the company.

Breakdown of compensation: Employee compensation consists of a fixed component and a variable component.

The fixed component must be high enough to fairly compensate professionals for fulfilling the duties of their position, their level of expertise and experience, and responsibility exercised. This component is also determined in accordance with market practices and the principle of consistency applied by the company.

The variable component is capped by an internal procedure. It depends first and foremost on the asset management company's overall results. Variable pay is granted in addition to fixed compensation, in a balanced way, in consideration of each professional's performance.

Variable compensation is established on a discretionary basis each year, based on the achievement of the targets set during the individual performance reviews and on the qualitative and quantitative results obtained. The following general criteria are also taken into consideration: Team spirit and contribution to an efficient and pleasant working environment, personal initiative, drive, motivation and creativity, participation in analyses and discussions, and implementation of the company's strategic development.

More specifically:

- For portfolio managers, each year the company determines and grants a bonus based on the following criteria:
 - performances achieved,
 - AuM growth,
 - qualitative changes in the company in terms of recognition and image,
 - the employee's personal contribution to the above points,
 - participation in Management Committee meetings,
 - quality of business and management reports,
 - information-sharing with the team, committees, risk controller and Head of Compliance and Internal Control,
 - performance in terms of meeting each fund's risk/reward target,
 - management of risks in daily activities,
 - compliance with regulations and prospectuses.

- For sales staff, variable compensation is calculated based on the amount of net new subscriptions, AuM held by active clients, and management fees net of rebates received by the company on these

assets under management. Variable compensation is only paid once it has been determined that all new client/distributor onboarding records are complete and that the applicable procedures have been meticulously observed, particularly with respect to the suitability of how products are marketed to clients and distributors according to their profile.