

POLICY/ PROCEDURE

Subject:	Remuneration policy	
Last reviewed by:	Compliance	Date 04/2025
Approved by:	Board of Directors	Date 29/04/2025

I. INTRODUCTION

Alma Capital Investment Management S.A. (hereafter “ACIM”) is a Luxembourg- based management company subject to Chapter 15 of the UCI Law of 17 December 2010, and to Chapter 2 of the AIFM Law of 12 July 2013 as amended. ACIM is the management company for UCITS and alternative investment funds or sub-funds (the “ACIM Funds”).

Under the freedom of establishment and freedom to provide services in another Member State of the European Union, ACIM has established a branch in France, Alma Capital Investment Management, French branch (the “French Branch”), authorized by the *Autorité des Marchés Financiers* (AMF).

Following the Brexit, ACIM has established a subsidiary in the United Kingdom, Alma Capital London (the “Subsidiary” or “ACL”), authorized by the Financial Conduct Authority (FCA) to manage UCITS funds. This Subsidiary is fully owned by ACIM and mostly performs activities that are linked to the funds managed by ACIM (in particular portfolio management and distribution).

ACL being a separate legal entity, subject to a different regulatory framework, it has a separate Remuneration Policy and the terms of this document do not apply to ACL.

This Policy applies to ACIM, including its French Branch. References in this Policy to “Alma” or the “Company” includes its French Branch.

This remuneration policy also includes information on the integration of sustainability risks in the Company's remuneration procedures, as required by the EU Sustainable Finance Disclosure Regulation (2019/2088) (“SFDR”). It clarifies how the structure of remuneration within the Company does not encourage excessive risk-taking with respect to sustainability risks as envisaged under Article 5 of SFDR and is limited to risk-adjusted performance.

II. LEGAL AND REGULATORY BACKGROUND

ACIM has implemented the Policy relating to remuneration in accordance with the applicable legal background and in particular:

- Law of 17 December 2010 relating to UCITS
- Law of 12 July 2013 on AIFM

CSSF Circulars

- CSSF Circular 10/437 of 1 February 2010
- CSSF Circular 18/698 of 23 August 2018
- CSSF Circular 22/797 of 31 January 2022

French Law

- Code monétaire et financier (Article L533-22-2)

AMF documents and positions

- Règlement Général AMF (Article 321-125)
- Position DOC-2016-14 (Bonnes politiques de rémunération au titre de la directive sur les organismes de placement collectif en valeurs mobilières)
- Position DOC-2013-11 (Politiques de rémunération applicables aux gestionnaires de fonds d'investissement alternatifs)

ESMA guidelines

- 2016/575 Guidelines on sound remuneration policies under the UCITS Directive
- 2013/232 Guidelines on sound remuneration policies under the AIFMD
- 2016/411 Final report on guidelines on sound remuneration policies under the UCITS Directive and AIFMD
- 2016/579 Guidelines on sound remuneration policies under the AIFM Directive

III. PURPOSE

This Policy intends to reflect the following commitments of the Company to promote a sound and effective risk management, which does not induce excessive risk-taking, which is consistent with the risk profile, offering documents of the ACIM Funds and the interest of investors of these ACIM Funds in order to avoid conflicts of interest.

IV. SCOPE

The Policy applies to all Alma employees (the “Alma Employees”), as well as to members of the following categories of persons together designed hereafter as “Identified Staff”:

Senior and executive management:

- executive Board members of Alma and of the Funds managed by Alma;
- CEO; and
- Conducting Persons of ACIM.

Control functions¹:

- Compliance Officer; and
- Risk Manager.

Note that the internal audit function is delegated.

Other risk takers as appropriate:

- manager of the French Branch;
- control functions within Alma, significant and/or regulated position;
- in-house portfolio managers; and
- any other Alma Employee which is deemed to be risk taking, as decided by the Board of Directors of ACIM.

For the avoidance of doubt, on an annual basis, the Remuneration Committee will confirm the list of Identified Staff in the scope of such remuneration policy.

V. REMUNERATION STRUCTURE OVERVIEW

1. General principles

This policy is aimed at aligning remuneration with prudent risk-taking. The design of the remuneration system is consistent with the objectives set out in the Company's strategy and lies in a proper balance of variable to fixed remuneration and the measurement of performance, based on a combination of the assessment of the individual performance and of the overall results of the Company.

Governance

The Company strictly applies all remuneration policy rules and requirements, and in particular all deferral of variable remuneration and pay outs in instruments for the Identified Staff.

Since January 2021, the Board of Directors of ACIM has delegated its responsibilities in terms of remuneration related matters to a Remuneration Committee.

The list of responsibilities of the Remuneration Committee includes, but are not limited to:

- Definition and regular update of the Remuneration Policy of the Company;
- Nomination and dismissal of the Key Employees of the Company, including nomination of them within the Executive Committee of the Company (as defined in the Terms of Reference of the Remuneration Committee) or any significant and/or regulated position;
- Review and amendment of the List of Identified Staff;
- Evaluation of the performance and definition of the annual compensation (including fixed remuneration, bonus, participation if any, benefits in kind, options, any other applicable remuneration ...) for each individual Identified Staff;
- Review of the annual compensation of all other employees as suggested by the Executive Committee ; and
- Proposition of a compensation for the Board of Directors of ACIM.

Terms of Reference of this Remuneration Committee are available in a separate document.

2. Fixed remuneration to the Alma Employees and the Identified Staff

The fixed remuneration is determined at a level high enough (in absolute amount) to allow a fully flexible policy on variable remuneration components, including the possibility not to pay any variable remuneration.

The fixed salary is based on the employee's role and experience and local practice. Salaries are reviewed annually by the HR manager/CFO and the CEO of ACIM (the "Management"), taking into account the individual annual and interim performance reviews, significant changes in job responsibility and/ or local market tension. The Management will then report to the Remuneration Committee at least 3 times a year so the members of the Remuneration Committee can review, challenge and define the annual compensation of all of the Alma employees and the Identified Staff. This annual compensation will then be presented to the Board of Directors of ACIM by the Chairman of the Remuneration Committee. The Remuneration Committee will specifically ensure global compensation offered to the Alma employees and to the Identified Staff remain competitive with the industry and local practice.

3. Annual bonus and variable remuneration

a. Annual bonus

Alma Employees as well as Identified Staff may be eligible to receive an annual discretionary bonus (the "Bonus").

The CSSF Circular 10/437 indicates that *"The remuneration policy of a financial undertaking shall set a maximum limit on the variable component"*. For ACIM employees and Identified Staff, the variable component of the remuneration should not represent more than 80% of the total remuneration on an annual basis, unless explicitly agreed by the Remuneration Committee.

The Bonus is awarded both on the basis of the Company's financial results and the individual performance of each of the Alma Employees and Identified Staff in respect of performance targets and goals established during the interim and annual individual performance evaluation process.

The global amount of the Bonus to be shared among the employees and Identified Staff is determined annually by the Remuneration Committee, based on Management's proposal. In general, this amount is determined using Key Performance Indicators ("KPIs"), in line with market practice. This method will ensure that the amount of variable remuneration takes into account the Company's performance for the period. Some of the KPIs used to determine the total amount of bonus for the period are:

- Total Compensation Ratio (total payroll expenses for the period as a % of net revenue (excluding any performance fees)); and
- Variable remuneration as a % of operating income before bonus.

This total amount of variable compensation will then be presented to the Board of Directors of ACIM by the Chairman of the Remuneration Committee. Upon approval of such global amount for the period, Management will prepare an allocation of the total amount among Alma Employees and Identified Staff and present such proposed allocation to the

Remuneration Committee. This allocation will be based on each individual performance for the period, such individual performance being documented in the Year End Performance Review Documentation agreed upon between the employee and its manager each year, mainly taking into account the individual objectives of the employee for the year and its achievement.

Guaranteed bonus is exceptional and awarded only in the context of hiring new staff and only for the first year.

b. Variable remuneration to the Identified Staff

The Identified Staff may receive a variable remuneration which could represent significant portion of the total remuneration. As such, a proportion of the overall variable remuneration may be deferred over a 3-year period (1/3rd vesting every year). The amount to be deferred will be defined using a cascade of absolute amounts, and more specifically the following cascade should be used:

- amount of variable remuneration between 0 and 200 000€: 100% is paid immediately;
- amount of variable remuneration between 200 000€ and 300 000€ : 60% is paid immediately and the rest is deferred over a 3-year period (1/3rd being vested every year);
- amount of variable remuneration above 300 000€: 50% is paid immediately and 50% is deferred over a 3-year period, each third being vested every year.

A minimum of 50% of the deferred amounts will be paid out in instruments rather than in cash. Instruments can be of different kinds, and may include shares/units in one or more of the ACIM Funds under management in respect of which the individual has influence or another suitable instruments as determined by the Board. When such instruments are offered to the Alma Employees as a compensation, the Compliance Officer of ACIM will be made aware of which instruments have been offered to which employee, to monitor any potential conflict of interests.

In practice, for those concerned with a deferral, ACIM will be paying the full amount to the employee at the time when bonuses are granted. Upon receipt of the amount, the employee will have to invest the amount to be determined as being “paid in instruments” in one or several funds managed by the Company or in shares of the Company, and commit to remain invested during a 3-year period (with 1/3rd vesting every year). On an annual basis, the employee will confirm to the HR Manager and the Compliance Officer that he has not breached the commitment, and is still invested in the same instruments as had been determined at the date of the grant.

4. Benefits

In addition to the fixed remuneration and variable remuneration, the Company may offer meal vouchers, as well as some other core and flexible benefits (“Benefits”). Such other Benefits may include but are not limited to pension plans, enhanced private medical

5. Specific provisions

Remuneration of the members of the Board of Directors of ACIM

Executive Board members do not receive any specific fixed remuneration or variable remuneration from ACIM to perform their professional duties as Directors of the Company. They receive a fixed remuneration from ACIM or from other companies within the Alma Capital Group to compensate for their executive duties among the Group.

The non-executive Board members of ACIM and of the Funds managed by ACIM may receive a fixed remuneration. This fixed remuneration is set by the Remuneration Committee according to market practice, and approved annually by the general meeting of shareholders of the relevant company (i.e., ACIM or the Funds under management).

Remuneration of the Conducting Persons and control functions

As for all Alma employees, performance measures for employees responsible for control functions and for Conducting Persons will be based on the achievements and objectives of the functions. Their remuneration is determined by the Remuneration Committee each year independently from the performance of the specific business areas they support, therefore helping to prevent any potential conflicts of interest.

Remuneration to the delegated investment managers

Since Alma delegates the portfolio management of some of the Funds managed by ACIM to several and distinct investment managers, the Company has to ensure the alignment of interests between the investment managers and the investors.

Alma ensures that the remuneration policies of the delegated investment managers comply with the above mentioned ESMA guidelines (or equivalent) and particularly that:

- its delegates are subject to regulatory requirements that are equally as effective as those applicable to Alma; or that
- appropriate contractual arrangements are in place with its delegates to ensure that there is no circumvention of the remuneration rules applicable to Alma.

Integration of Sustainability Risks

The remuneration policy of the Company is structured so as to ensure that it is consistent with the integration of sustainability risks in the investment decision making process in respect of the investment management of each of the ACIM Funds of the Company as contemplated pursuant to Article 5 SFDR.

In this regard, the structure of remuneration of the Company is consistent with the following principles:

- Promotion of sound and effective risk management with respect to sustainability risks;
- No encouragement of excessive risk-taking with respect to sustainability risks; and
- Remuneration is linked to risk-adjusted performance.

Where a delegated investment manager integrates sustainability risks into its investment decision-making process, the Company will ensure that the delegated investment manager's remuneration rules (or the contractual arrangements in respect of remuneration applicable to a delegated investment manager) are consistent with the integration of sustainability risk.

6. Claw-back (ex-post risk adjustment)

As long as this is allowed by the applicable rules and regulations, the Company reserves the right to demand full or partial repayment from the individual who has been awarded variable remunerations in the following conditions:

- fraudulent conduct of staff member;
- misleading information by a staff member;
- breach of ESMA guidelines.

Should any of the instances listed above occur and should there be any part of the Identified Staff remuneration remaining as deferred / non-vested, these amounts will automatically be canceled and considered not due to the Identified Staff.

VI. Disclosure

External Disclosure

The ACIM Funds issue on an annual basis their annual report, covering details on the remuneration policy of their management company ACIM.

This remuneration policy is also available on the Company's website.

Internal Disclosure

This remuneration policy is part of the Company's policies and procedures and as such, available to all of the Alma Employees. Alma Employees are regularly informed about their remuneration, criteria used to measure performance and the link between performance and pay, including but not only, during their individual year end and half year reviews.