

Remuneration Policy

Conventum Asset Management (“Conventum AM”) is a management company within the meaning of Article 101(2) of the Luxembourg law of 17 December 2010 on undertakings for collective investment, and an alternative investment fund manager pursuant to Article 5(2) of the Luxembourg law of 12 July 2013 on alternative investment fund managers. Conventum AM is a wholly owned subsidiary of Banque de Luxembourg. The remuneration policy is an important component of the principles of good corporate governance adopted by Conventum AM based on its size and internal organisation as well as the nature, scope and complexity of its activities. The remuneration policy is reviewed each year and its implementation is assessed annually by an independent body. These principles are actioned by Conventum AM’s general management.

Conventum AM’s remuneration policy is aligned to that applied by its parent company, Banque de Luxembourg. The policy is designed to sustain the company’s strategy for the long term while supporting the professional development of Conventum AM personnel at each stage of their career.

Remuneration is directly linked to the level of responsibility and specialisation of the position. It is enhanced by accumulated experience and additional responsibilities as well as an annual assessment by line managers. Rather than quantitative criteria, it is based on **qualitative criteria** such as long-term commitment, capacity to capitalise on knowledge and experience, degree of professionalism, exemplary attitude, team spirit and initiative. This approach embraces the aim of using the remuneration policy to reflect the long-term values the company identifies with.

At the level of Conventum AM’s Board of Directors, a Remuneration Committee composed of three members, Ruth Bültmann, Fernand Grulms and Fernand Reiners, conducts a situational review for each position for functions specially covered by the provisions of CSSF Circular 10/437 (on remuneration policies in the financial sector) *et seq.*, and by the ESMA/AEMF definition for personnel charged with responsibility for material risks¹.

Financial targets related to the position (e.g. results from treasury or client transactions) are not taken into account when setting the variable remuneration for any Conventum AM employee. Likewise, behaviour involving risk taking that does not comply with Conventum AM’s policies and values is not encouraged or rewarded and would rather be penalised. The notion of a bonus reflecting short-term performance is not applicable at Conventum AM.

Annual remuneration comprises a contractual fixed amount and a variable component; this is never correlated to Conventum AM sales or income generated by the employee, conducting person or person exercising control positions. The variable component cannot exceed 40% of the fixed amount. A system to recover variable remuneration undeservedly paid (“claw-back”) is also in place.

The conducting persons also ensure that all employees have the necessary qualifications, knowledge and expertise to exercise the responsibilities and missions assigned to them. All conducting persons and employees undergo regular training in line with professional developments and legal and regulatory requirements.

Conventum AM also ensures that its delegated portfolio managers are subject to rules equivalent to those applicable under Directive 2011/61/EU and Directive 2014/91/EU respectively. Under the investment management delegation agreement, Conventum AM ensures that the delegated investment manager’s remuneration policy does not circumvent the remuneration rules set out by the above-mentioned Directives.

A hard copy of this remuneration policy is available free of charge at the investor’s request:

- by email to: info@conventum.lu
- by fax to: +352 26 20 41 3895

¹ Conducting persons of Conventum AM and persons in charge of the following control positions: internal audit, compliance and risk management.

- by post to:
Conventum Asset Management
9, Boulevard Prince Henri
L-1724 Luxembourg