

## 1. INTRODUCTION

### 1.1. Regulatory background

**NATAM Management Company Luxembourg S.A** licensed by the CSSF as Management Company under UCITS law 2010 and AIFM law 2013, has implemented a Remuneration policy in compliance with the following legal and regulatory requirements:

- Article 13 of AIFMD
- CSSF Circular 12/546 (Substance requirements)

The Remuneration Policy covers the remuneration of:

- individuals who are members of the governing bodies of the MANCO;
- senior managers;
- risk takers and control functions;
- any employees receiving any type of remuneration that takes them into the same remuneration bracket as senior management and risk takers;
- any employee of the MANCO (the Identified Staff).

Pursuant to the Article 13 of AIFMD and its implementing regulation, the MANCO has adopted, for those categories of persons certain remuneration principles that are consistent with and promote sound and effective risk management and do not encourage risk-taking, which is inconsistent with the risk profiles, rules or instruments of incorporation of the managed funds.

The policy is also in line with the business strategy, objectives, values and long-term interests of the managed funds and is consistent with the principles relating to the protection of clients and investors in the course of services provided and the avoidance of conflict of interest as a result of the implementation of the said strategy

These principles shall apply to remuneration of any type paid by the managed funds, to any amount paid directly by the MANCO itself, and to any transfer of units or shares of the managed funds, made to the benefits of identified categories of staff.

## 2. RESPONSIBLE PERSON

The remuneration policy is defined by the Board of Directors of the MANCO (the BOD) and validated by the general meeting of the shareholders.

The BOD is responsible for the implementation of the remuneration procedure, the General Manager must control that the procedure is respected and must notify the BOD for any breach or violation they should be aware during the normal course of their assessment procedure.

### **3. SUPERVISION AND REVISION OF THE REMUNERATION POLICY**

Any decision made in relation with the remuneration of the staff will be specifically documented.

The implementation of the remuneration policy will be reviewed annually by the Internal Auditor and its compliance with Luxembourg legal requirements will also be reassessed regularly by the Compliance function. Any finding or need for update identified by one of these functions will be directly reported to the BOD action.

In the implementation and supervision of the remuneration any event, circumstances or indication that may give rise to a potential risk of conflict of interest will be specifically documented.

Any change or update of the policy will be submitted to the BOD for approval.

### **4. REMUNERATION COMPONENTS AND PROPORTIONALITY PRINCIPLE**

The MANCO intends to pay to the identified staff only a fixed remuneration.

In light of its size, nature and scope, the MANCO will not apply the sections XII.III, XII.IV, XII.V and X.II of ESMA Guidelines 2013/201.

### **5. FIXED REMUNERATION**

**Member of the boards:** The member of the Board of Directors are entitled to receive an annual lump sum (payable on a quarterly basis on arrear) which may not exceed the amount of Euro 20.000. The Chairman of the BOD is entitled to receive up to three time the amount due to the member of the board in reason of his work of conducting of the board meeting.

**Senior managers and employees:** The fixed remuneration of the Senior Managers and of the staff is negotiated at the beginning of the relation with the MANCO, on the basis of the individual role, including responsibility, job complexity, performance and local market conditions.

Fixed remuneration can be reviewed annually in the contest of an annual performance assessment of the employees.

## **6. REMUNERATION OF THE DELEGATED CHARGED OF THE PORTFOLIO MANAGEMENT FUNCTION**

The business model adopted by the MANCO foresees the delegation of the portfolio management function.

When delegating the portfolio management function, the MANCO will check, during the initial and ongoing due diligence ) performed on yearly basis, according with the rules set in the DUE DILIGENCE PROCEDURE, put in place by the MANCO, that

- the entities to which portfolio management function has been delegated should be subject to regulatory requirements on remuneration that are equally as effective as those applicable under the AIFM law and regulations; and
- appropriate contractual arrangements should be put in place in order to ensure that there is no circumvention of the remuneration rules. These contractual arrangements should cover any payments made to the delegates' identified staff as compensation for the performance of portfolio or risk management activities on behalf of the AIFM.