



TREETOP ASSET MANAGEMENT S.A.

SUMMARY OF THE REMUNERATION POLICY

1. INTRODUCTION AND SCOPE

This policy summary aims to describe the remuneration practices of TreeTop Asset Management S.A. relating to remuneration paid by the Company to its employees and management.

TreeTop Asset Management S.A. (“**TAMSA**” or the “**Company**”) is a Luxembourg UCITS management company also authorized as an alternative investment fund manager. The investment funds managed by the Company are hereinafter referred to as the “**Funds**”. TAMSA is furthermore authorized to provide the following investment services: a) discretionary and individualized investment portfolio management, b) investment advice, and c) receipt and transmission of orders (“**RTO**”) from clients.

The Company has a branch in Belgium (the “**Branch**”) and uses tied agents established in Belgium (the “**Agents**”) to market its services in that country. The services provided by the Branch are solely non-independent investment advice and RTO and relate exclusively to units in the Funds.

This policy (the “**Policy**”) sets out the Company’s remuneration principles. It is established in accordance with the following regulatory frameworks (the “**Regulation**”):

- **Collective Management component (i.e. management of collective investment undertakings (“CIUs”)):** Directive 2009/65/EC as amended (UCITS), Directive 2011/61/EU as amended (AIFM), Directive 2023/970, ESMA Guidelines/2016/411 (UCITS) and ESMA/2013/232 (AIFM), Luxembourg Law of 17/12/2010 (UCITS) and of 12/07/2013 (AIFM), CSSF Circular 18/698.
- **Investment Services component (MiFID):** Directive 2013/36/EU (CRD), EBA/GL/2021/04, ESMA Guidelines 35-43-3565, conduct of business rules of Directive 2014/65/EU (MiFID II) concerning investor protection, Directive 2023/970, Circular 23/241.

This Policy applies to all staff at the Head Office and the Branch, including the Agents and the sub-managers mandated by the Company.

2. OBJECTIVE

The purpose of the Policy is to align the interests of TAMSA employees with the Company’s overall strategy (in particular by avoiding incentives for excessive risk-taking) while ensuring a balance between performance, remuneration fairness and economic viability.

With regard in particular to directors, members of effective management, risk takers, control functions and employees whose total remuneration falls within the remuneration band of management and risk takers, whose professional activities have a significant impact on the risk profile of the Company or on the risk profiles of the Funds (collectively referred to as the “**Identified Staff**”), the Policy aims to ensure that the structure of their remuneration:

- promotes sound and effective risk management;
- does not encourage risk-taking inconsistent with (i) the risk appetite, values and long-term interests of the Company and (ii) the risk profiles or rules governing the Funds;
- does not undermine the Company’s obligation to act in the best interests of the Funds and the investors in the Funds (CIUs) and of its clients (MiFID);
- does not create conflicts of interest with unitholders (CIUs) or clients (MiFID);
- ensures fair and competitive remuneration;
- complies with Luxembourg and Belgian regulatory requirements.

3. PRINCIPLE OF PROPORTIONALITY

The Company applies the principle of proportionality provided for in the Regulation, taking into account in particular its small size, its operational structure, the simple nature of the products managed and services offered, and the limited amount of variable remuneration.

In particular, it waives the obligations (i) to set up a remuneration committee and, with regard to Identified Staff, (ii) to defer variable remuneration payments over several years and (iii) to pay part of variable remuneration in instruments.

The application of the principle of proportionality is analyzed in more detail in Appendix II.

This analysis is reviewed annually and its conclusions are validated by the Company’s board of directors.

4. GENERAL PRINCIPLES

The Company’s general remuneration principles are as follows:

- The Company’s board of directors (the “**Board**”) is responsible for adopting, supervising and annually reviewing the Policy. Given the size of the Company, no separate remuneration committee is established; this function is performed directly by the Board in its supervisory capacity (with the support of an ad hoc subcommittee).
- The Policy aims in particular to ensure that the remuneration structure of Identified Staff promotes sound and effective risk management and does not encourage risk-taking inconsistent with (i) the risk appetite, values and long-term interests of the Company and (ii) the risk profiles or rules governing the Funds.
- The Policy also aims to ensure compliance by the Company and by each employee with their obligation to act in the best interests of the Funds, the investors in the Funds and the Company’s clients.
- In order to guarantee their independence and limit the risk of conflicts of interest, non-executive directors receive only fixed remuneration.
- The remuneration of other employees, including members of effective management, comprises a fixed component and, generally, a variable component.
- The level of remuneration of each employee is determined primarily by taking into account the function and level of responsibility of the person concerned and market standards.
- The fixed component is the main part of the overall remuneration of the Company’s employees and its level is sufficiently high to ensure the greatest flexibility regarding the variable component, including the possibility of paying none at all.

- The relative importance of the criteria used to define the variable component of remuneration depends on the nature of the function performed by the staff member.
- For management staff, the criteria used are linked to the achievement of the Company’s strategic objectives and compliance with the Regulation. For staff performing portfolio management functions, the criteria taken into account are linked to (i) the size and performance of the relevant funds and (ii) non-financial criteria aimed at ensuring that risk-taking is consistent with the risk profile of the Funds.
- For staff performing sales functions, the criteria used are linked to (i) assets under management (AuM) and (ii) non-financial criteria aimed at ensuring compliance with conduct rules.
- For staff performing control functions (i.e. risk management, compliance and internal audit functions – if this last function is not outsourced), the variable component of remuneration is mainly determined on the basis of non-financial criteria measuring the achievement of objectives related to its functions and does not in principle exceed two months’ salary. It is never based on the performance of the business areas it controls.
- Variable remuneration relating to a given financial year is paid the following year and exclusively in cash.
- In exceptional cases, the Company may pay an onboarding bonus (“guaranteed bonus”) when concluding an employment or agency contract after a negotiated period with the new employee, which may not exceed 12 months.
- The Company does not grant severance payments other than those authorized or required by the Regulation and justified by the experience, seniority of the employee concerned and market practice.
- The Company does not grant discretionary pension benefits.
- The total amount of variable remuneration does not limit the Company’s ability to maintain a sufficient financial base.
- When the Company delegates the investment management function of a Fund to third parties, it ensures that those third parties have remuneration policies compliant with the Regulation.
- The implementation of the Policy is subject, at least once a year, to an assessment by the internal audit function, which aims to verify that it complies with the remuneration policies and procedures adopted by the Board in the exercise of its supervisory function.

5. IDENTIFIED STAFF

The Company identifies the categories of staff having a significant impact on the risk profile of the Company or the Funds (the “**Identified Staff**”).

This analysis, carried out by the Effective Management of the Head Office, is then presented to the Risk Manager and the Compliance Officer, and results in the establishment of a list of persons belonging to Identified Staff.

Head Office (Collective Management)

The following are classified as “Identified Staff”:

- **Members of the Board of Directors (executive or non-executive):** decision-making function regarding the Company’s strategy and business policy, its organization and its policies, particularly in relation to risk and remuneration.
- **Other Company Executives:** members of effective management, decision-making function regarding the daily management of the Company, but not members of the board of directors.

- **Members of the Investment Committee:** decision-making function regarding the risk profile of the CIUs managed by the Company.
- **The Risk Manager:** responsible for the Company's and the Funds' risk management control function.
- **The Compliance Officer:** responsible for the Company's and the Funds' compliance function.

Belgian Branch (Investment Advice - MiFID)

The following are classified as "Identified Staff":

- **Branch Executives:** members of the effective management of the Branch, decision-making function regarding the daily management of the Branch.
- **The Risk Manager:** responsible for the Branch's risk management control function.
- **The Branch Compliance Officer:** responsible for the Branch's compliance function.

Identification of employees

The Company keeps a register of persons working on its behalf who are part of Identified Staff. For each person, the register includes a description of their role within TAMSA and the structure of their remuneration.

This register is reviewed annually during the review of the Policy.

6. REMUNERATION STRUCTURE

General provisions

Fixed component

Fixed remuneration primarily reflects the employee's responsibilities within the Company, taking into account local market standards. In some cases, the fixed component may be explained by historical factors or contractual commitments entered into before the implementation of the Regulation.

In all cases, it represents the main part of total remuneration and makes it possible to guarantee a flexible bonus policy, ensuring that employees do not depend significantly on any variable remuneration, and therefore may result in no variable payment at all.

For staff employed under an employment contract, fixed remuneration includes salary and non-monetary remuneration elements whose nature and amount depend on local practices, seniority and the employee's function. These benefits in kind are fixed in nature.

For Agents, fixed remuneration includes a fixed flat monthly fee.

Variable component (Bonus)

The bonus is a variable remuneration element paid in addition to fixed remuneration, based on performance criteria or individual or collective results achieved over a given period.

Individual objectives are defined taking into account the nature of the function and role of the employee, as well as the expected results of the employee and their team.

Subject to the derogating or specific provisions referred to under (b) below for Identified Staff, bonuses are generally awarded on the basis of the employee's performance assessment over one year.

- **Criteria:** the bonus is awarded on the basis of financial and/or non-financial criteria specific to each function.
- **Cap:** in accordance with the Company's internal practice, variable remuneration is capped at 2 months of fixed salary and never exceeds EUR 50,000.
- **Proportionality:** due to the principle of proportionality, employees who are part of "Identified Staff" benefit from the exemption from deferral and payment in instruments.

Derogating or specific provisions for Identified Staff

Members of the board of directors

A. Non-executive directors (Supervisory)

To guarantee their independence and avoid any conflict of interest in their supervisory role, the following rules apply: their remuneration consists exclusively of fixed attendance fees decided (where applicable within an overall envelope allocated by the board of directors among its members) by the General Meeting.

B. Executive directors

They receive fixed remuneration established in accordance with the general provisions and variable remuneration following the provisions below:

- **Criteria:** the bonus is awarded on the basis of financial and non-financial criteria specific to their function.
- **Cap:** the variable part of their remuneration is strictly limited to a maximum of 25% of their fixed remuneration.
- **Proportionality:** due to the principle of proportionality, executive directors benefit from the exemption from deferral and payment in instruments.

Effective managers

Their remuneration follows the general provisions.

For historical reasons, the remuneration of certain effective managers may consist solely of fixed remuneration.

Heads of control functions

Their remuneration follows the general provisions.

Specific provisions for financial advisers (Branch)

Their fixed remuneration represents a substantial part of total remuneration. In a competitive environment, it must make it possible to attract, retain and motivate employees whose role is essential to the Company's development. Their fixed remuneration also makes it possible to guarantee overall remuneration that is sufficiently high to reward experience and professional skills even in the absence of variable remuneration.

Their variable remuneration is based mainly on quantitative criteria (AUM of advised clients); however, in order to remain compliant with investor protection rules, the following safeguards are put in place:

- **Quantitative Criteria (the "What"):** based on the volume of contributions and assets under advice. This criterion therefore encourages both business development and the satisfaction of existing clients. In order to avoid any risk of conflict of interest, the commission rate used to calculate the variable remuneration of financial advisers is identical for all Funds that may be subject to investment advice by the Advisers.

- **Qualitative Corrective Criteria (the “How”):** the bonus defined on the basis of quantitative criteria may be significantly reduced on the basis of an annual review concerning:
 1. Proper compliance with procedures.
 2. Compliance of advice (suitability to the client profile).
 3. Quality of documentation (KYC/risk questionnaires).
 4. Absence of justified client complaints.

7. DELEGATION OF THE INVESTMENT MANAGEMENT FUNCTION

TAMSA delegates the investment management function of certain Funds. In this context, in accordance with Articles 20 and 13 of the UCITS and AIFM Directives and ESMA guidelines, TAMSA ensures within the framework of its initial and periodic due diligence procedures that:

- the entities to which investment management activities have been delegated are governed by remuneration provisions that are as effective as those applicable under the ESMA guidelines; or that
- appropriate contractual arrangements are put in place with the entities to which investment management activities have been delegated in order to prevent any circumvention of the remuneration regulations set out in the ESMA guidelines. These contractual arrangements must relate to any payment made to the identified staff of the delegates as compensation for carrying out investment management activities on behalf of the Company.

8. MEASURES TO PREVENT CONFLICTS OF INTEREST

Independence of control functions

The heads of Risk Management and Compliance (as well as internal audit, which is an outsourced function) of the Company are assessed against objectives specific to their functions, completely disconnected from business results or AuM.

Oversight of portfolio management (CIUs)

The following measures serve as safeguards:

- For multi-manager Funds: the allocation of the Funds to the various portfolio components is decided collectively by the investment committee. The remuneration of committee members follows the remuneration provisions applicable to Identified Staff and is not linked to the performance of the Funds;
- For single-manager Funds: the investment management function is either delegated to third parties referred to in the procedure described in section 7, or the manager receives only a flat fee.

Oversight of advice

The following measures serve as safeguards:

- The fixed remuneration of financial advisers is sufficient so that they are not dependent on their bonus, thereby limiting the incentive for inappropriate sales;
- The commission rate used to calculate the variable remuneration of financial advisers is identical for all Funds advised, regardless of their inherent risk or their profitability for the Company; they therefore have no financial incentive to recommend one product over another;

- Based on the client’s responses to a standard questionnaire, financial advisers assign the client account a standard investment profile; the choice of investment profile is reviewed by the Compliance function and by the Client Acceptance Committee (CAC), before being formally set by the Branch executives in the onboarding notice sent to clients;
- Financial advisers may only advise clients on Funds that are part of an “advice matrix” established by the Company, which links one or more Funds to each investment profile. The suitability of the Fund(s) for the clients’ investment profile is reviewed by the risk management function - any deviation by an adviser from this matrix results in a penalty in the calculation of the quantitative bonus (without prejudice to the corrective measures imposed by MiFID rules, such as a change in the portfolio and/or a change in the profile).

9. GOVERNANCE

Role of the Board of Directors

The Board is responsible for the adoption, supervision and annual review of the Policy. To this end it approves this remuneration policy, as well as any additions or amendments made to it subsequently.

Given the Company’s privately held family ownership, the Board, as the strategic management body representing the owners of the Company, plays a very active role in defining the Policy and the remuneration structures implemented in various functions, particularly those responsible for business development, as well as in determining certain individual remuneration packages, including those of members of the Company’s management.

Given the size of the Company, no separate remuneration committee is established; this function is performed directly by the Board of Directors in its supervisory role with the support of an ad hoc subcommittee.

Role of the ad hoc Subcommittee

The Board has set up a remuneration subcommittee responsible for ensuring the proper implementation of the Policy and reporting to the Board of Directors at least once a year and whenever necessary. The subcommittee is composed of three members, including two non-executive directors and one managing director.

The subcommittee is more specifically responsible for:

- Reviewing the results of annual evaluations;
- Receiving the opinion of the Compliance Officer and the Risk Manager on the adequacy of the Policy;
- Carrying out the annual review of members of effective management;
- Ensuring that remuneration is fair and non-discriminatory;
- Deciding on salary increases and bonuses granted;
- Making proposals to the Board of Directors for improvements to the Policy.

Role of the Executive Committee

The Executive Committee is responsible for the practical implementation of this Remuneration Policy and reports to the Board on any material risk or failure.

Role of internal control functions

The Risk Manager provides an objective assessment of the alignment of the variable remuneration structure with the actual risk profile of the portfolios. He reports his findings directly to the Executive Committee and, if necessary, to the board of directors, ensuring that risk-adjusted performance forms the basis of any variable remuneration.

The Compliance Officer reviews the Policy to ensure that it complies with the Regulation, particularly in terms of conflict of interest management and compliance with conduct rules. It also acts as a permanent adviser to the management bodies, ensuring regulatory monitoring and ensuring that the Policy remains compliant with the Regulation.

The Company's internal audit function (outsourced) checks at regular intervals and at least once a year the Policy's compliance with the Regulation and the Company's proper implementation of the Policy approved by the Board. The internal audit report is submitted to the Board.

10. TRANSPARENCY AND REPORTING

In accordance with **CSSF Circular 18/698 (5.5.9)**, TreeTop Asset Management SA:

- Keeps an updated list of identified staff.
- Publishes in the Funds' prospectuses a summary of this Policy and a statement indicating that details of the updated remuneration policy are available on the Company's website and that a paper copy will be made available free of charge upon request.
- Publishes on the Company's website details of the updated remuneration policy, including, in particular, a description of how remuneration and benefits are calculated, and the identity of the persons responsible for awarding remuneration and benefits.
- Publishes in the Funds' annual report a summary of this Policy and its implementation, including the overall amounts of remuneration paid, broken down by staff category.