

# REMUNERATION POLICY

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## 1. Introduction

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1.1 Governance

## 2. Policy Objectives

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2.1 Market Benchmark

2.2 Definition of Fineco Asset Management DAC Compensation Policy

## 3. Fundamentals – Employee Remuneration

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3.1 Ratio between variable and fixed remuneration

3.2 Sustainability of the variable remuneration

3.2.1 Definition of performance targets

3.2.2 Performance appraisal

3.2.3 Long-Term Investment Plans

3.2.4 Payment of the variable remuneration

3.3 Focus on compliance breach, individual Malus and Claw-Back

3.4 Termination payments

3.5 Non-standard compensation

3.6 Compliance drivers

## 4. Remuneration Structure

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4.1 Employees

4.1.1 Type of Fixed remuneration

4.1.2 Type of Variable remuneration

4.1.3 Benefits

4.2 Non Executives members of Administrative and Auditing Bodies

4.3 Risk Takers

## 5. Policy Review

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# 1. Introduction

Fineco Asset Management Designated Activity Company (hereinafter the “Company”, “the Firm”), in accordance with its obligations under regulation 5 of the European Union (Undertakings for Collective Investment in Transferable Securities)(Amendment) Regulations 2016 which amend the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (together the “Regulations”, “UCITS Directives” or simply “UCITS”), is required to establish and apply remuneration policies and practices (hereinafter the “Policy”) that:

- I. are consistent with and promote sound and effective risk management;
- II. do not encourage risk-taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the UCITS funds it manages (the “Managed Funds”);
- III. do not impair the Firm’s duty to act in the best interests of the shareholders of the Managed Funds; and
- IV. are consistent with the business strategies, objectives, values and interests of the Company, the Managed Funds and the investors in those Managed Funds and include measures to avoid conflicts of interest.

The European Securities and Market Authority (hereinafter ‘ESMA’) issued its Guidelines on Sound Remuneration policies under the UCITS Directive and AIFMD on 31 March 2016 (hereinafter the ‘Guidelines’), which take effect from 1 January 2017. The provisions of the Guidelines have been considered where applicable in the Remuneration Policy.

The Policy has been drafted on the basis of the remuneration policy of the wider FinecoBank Group (hereinafter, the “Group”, composed by FinecoBank SpA and the companies from time to time controlled by it) and in compliance with the UCITS Regulations and requirements regarding remuneration.

The Policy is updated at least annually.

To ensure the competitiveness and effectiveness of remuneration as well as transparency and internal equity, the **key principles** of the Remuneration Policy are:

- **Clear and transparent governance**, through efficient corporate and organizational governance structures, as well as clear and rigorous systems and governance rules.
- **Compliance with regulatory requirements and principles of good professional conduct**, by protecting and enhancing our Company’s reputation, as well as avoiding or managing conflicts of interest between roles within the Company or towards customers.
- **Continuous monitoring of national and international market trends and practices**, aimed at sound formulation of competitive compensation ensuring transparency and internal equity.
- **Sustainable pay for sustainable performance**, by maintaining consistency between remuneration and performance, and between rewards and value creation, as well as enhancing both the actual result achieved and the way by which they are achieved.
- **Motivation and retention of all staff, while fostering equal opportunities inclusion and diversity, and aiming to** attract, motivate and retain the talent and key people capable of achieving our Company mission according to Company values.

## 1.1 Governance

The Company's compensation governance model aims to assure the clarity and reliability of the governance processes related to remuneration by effectively controlling the Company's remuneration practices and ensuring that decisions are made in an independent, informed and timely manner at appropriate levels, avoiding conflicts of interest and guaranteeing appropriate disclosure in full respect of the general principles defined by regulators. The Board of Directors has overall responsibility for approving and overseeing the remuneration of the Chief Executive Officer and the overall variable compensation system.

The monitoring and application of the remuneration principles enclosed in the Policy is performed by the relevant functions of the Company, typically including HR, Compliance and Risk. The remuneration process may also be subject to an Audit at Group level, annually.

Fineco Asset Management DAC Board of Directors approves an updated version of the Policy on an yearly basis and reserves the right to modify the Remuneration Policy as and when required in compliance with the applicable regulations.

## 2. Policy Objectives

The Policy has the objective of providing appropriate methods of remuneration to employees based on the work undertaken and the outcomes thereof. The Policy aims to establish processes for remuneration of identified staff that:

- i. are consistent with and promote sound and effective risk management;
- ii. do not encourage risk-taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the funds it manages; and
- iii. do not impair the Firm's duty to act in the best interests of the shareholders of the Funds. The Remuneration Policy is designed not to incentivise risky behaviours, which may have detrimental impacts to the performance of the firm or for its clients. The Policy aims to ensure that employees are compensated in a manner which is appropriate to the Firm's size, internal organisation and the nature, scope and complexity of its activities.

### 2.1 Market benchmark

We analyse the overall compensation trends of the markets in which we operate in order to make informed decisions about our compensation approach.

On the basis of benchmarking assessments, we aim to adopt competitive ranges in compensation levels, pay mix and total reward structures for effective retention and motivation of our critical resources.

Benchmarking and trends analysis may be conducted considering relevant peer groups (e.g. companies in the asset management industry) to assure competitive alignment with the market of reference.

Salary and compensation structures defined on the basis of business or market-specific benchmarking must in any case be fully aligned with the general principles of the Policy.

### 2.2 Definition of Fineco Asset Management DAC Compensation Policy and scope of application

Fineco Asset Management DAC Remuneration Policy, is drawn up with the involvement of all the competent Company functions for all related aspects, and is adopted under the responsibility of the Company Board of Directors, in line with the regulatory requirements.

The principles of the Remuneration Policy, consistently with FinecoBank Compensation Policy principles, where applicable, refer to the entire organisation. Specifically the Policy applies to all categories of employees, including the Company's Identified Staff, identified according to the Asset Management industry rules, without prejudice to the application of the banking sector rules for the staff belonging to FinecoBank Group Identified Staff.

## 3. Fundamentals – Employee Remuneration

The Firm seeks to reward staff in a way which is reflective of the work undertaken and the performance of the employee. Employee's variable remuneration shall be assessed a minimum of once per year. This assessment shall take into account the performance appraisal of the employee.

Fineco Asset Management DAC ensures that the outcome of evaluations and appraisals are linked to compensation.

Fineco Asset Management DAC also ensures that the payment of fees and expenses of directors is not done directly out of the UCITS assets, and that variable remuneration is not paid through vehicles or methods which aim at or effectively lead to non-compliance with remuneration requirements for identified staff. It is important to further note that the Chair of Fineco Asset Management DAC is also the Chair for the individual funds – the remuneration for this individual relating to work conducted for Fineco Asset Management DAC is paid solely by Fineco Asset Management DAC, while remuneration relating to work conducted for the funds is paid solely by the funds.

### **3.1 Ratio between variable and fixed remuneration**

Fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high portion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

Appropriate levels of mix between fixed and variable component of overall remuneration are managed and monitored based on our business strategy and also aligned with the Company's relative performance over time.

The requirements hereby do not prejudice the application of more restrictive rules on the ratio between variable and fixed remuneration to the Company's employees qualified as Company's or Group's Identified Staff.

### **3.2 Sustainability of the variable remuneration**

The assessment of performance and the deferral/holding periods of variable remuneration are set in a multi-year framework, appropriate to the holding period recommended to the investors of the UCITS managed by the Company.

Performance is evaluated in terms of risk-adjusted profitability and analysed with risk-weighted systems and mechanisms.

Fineco Asset Management DAC incentive systems shall not in any way induce excessive risk-taking behaviours.

#### **3.2.1 Definition of performance targets**

The Company shall:

- design forward-looking incentive plans which balance internal key value driver achievement with external measures of value creation relative to the market;
- consider performance on basis of annual/multi-year achievements and on their impact over time;
- consider the type of UCITS managed or the type of business and activity developed by the staff member when establishing the accrual period;
- include elements reflecting the impact of individual's / business units' performance on the overall value creation of related business groups and organization as a whole;
- individual performance appraisal cannot be based only on financial criteria, but should be also based on non-financial criteria, considering the specificity of the various roles;
- consider also performance indicators such as risk management, adherence with Company values or other behaviours;
- compensate staff engaged in control functions ("Control Functions" as defined by the ESMA Guidelines on sound remuneration policies under the UCITS Directive and AIFMD and in the Remuneration Framework), in accordance with the achievement of the objectives linked to their functions, independently of the performance of the business

areas they control;

- consider the remuneration approach applied to Control Functions is also recommended, where possible conflicts may arise due to the function's activities;
- set variable compensation features coherently with the Company strategy, as relevant on the basis of market and business specifics, and in line with long-term interests of the Company and Stakeholders – in the case of the Company either not being able to maintain a sound financial situation or being at risk of not doing so, any subsequent reduction in the variable remuneration pool and/or application of performance adjustment measures for Identified Staff should not be compensated for at a later date, by awarding, paying out or vesting a greater amount of variable remuneration than otherwise would have been done, unless it becomes evident in subsequent years that the Company's financial results justify such actions.

### 3.2.2 Performance appraisal

The Company shall:

- base performance evaluation upon profitability, financial strength and other drivers of sustainable business with particular reference to risk, cost of capital and efficiency such evaluations may include a focus on ESG risks, with information on the integration of sustainability risks into the investment decision making process published and kept up-to-date on the website of the Firm; individual performance appraisal cannot be based only on financial criteria, but should be also based on non-financial criteria, considering the specificity of the various roles;
- consider initiatives that aim at improving and/or maintaining the Company's ESG goals and the ESG characteristics of the Managed Funds, defining the role of different actors involved and their respective contribution;
- design flexible incentive systems such as to manage pay-out levels in consideration of Company's performance results and individual achievements, adopting a meritocratic approach to selective performance-based reward;
- design incentive systems that set minimum performance thresholds below which zero bonus will be paid;
- assess all incentive systems, programs and plans in order to avoid the risk that our Company reputation may be jeopardized.

### 3.2.3 Long-Term Investment Plans

Fineco Asset Management DAC employees are eligible to be included in FinecoBank's sharebased Long Term Incentive plans which take account of ESG factors when setting remuneration targets.

### 3.2.4 Payment of the variable remuneration

In the context of paying the variable remuneration, the Company shall:

- In the process of calculating number of instruments, compute the fair value by considering the average NAV for the 30 days preceding the Board of Directors meeting that approves the performance results of the year and the related bonus amount;
- defer, where foreseen by regulatory requirements, performance-based incentive pay-outs to coincide with the risk timeframe of such performance. In this way the variable remuneration takes into account the time trend of the risks assumed by the Company (e.g. *malus* mechanisms);
- consider claw-back actions as legally enforceable on any performance-based incentive paid out on the basis of considerations subsequently proven to be erroneous;

include clauses for zero bonus in circumstances of non-compliant behaviour or qualified disciplinary action, subjecting pay-out to the absence of any proceeding undertaken by the Company for irregular activities or misconduct of the employee (e.g. internal code of conduct, values breach, etc.);

- not pay dividends or interest on variable remuneration instruments before vesting;
- require the employees not to use personal hedging strategies or remuneration and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements. Such obligation is also reported in the rules of Fineco Asset Management DAC incentive systems.

### 3.3 Compliance Breaches, individual Malus and Claw-Back

Fineco Asset Management DAC reserves the right to activate malus and claw-back mechanisms, meaning respectively the reduction/cancellation and the return of any form of variable compensation.

The malus mechanisms, (i.e. the reduction/cancellation of all or part of the variable remuneration) can be activated with reference to the variable remuneration to be paid or awarded but not already paid, related to the performance period in which the compliance “violation” is referable. In case the variable pay affected is not enough to ensure an adequate malus application, the reduction can be referred also to other components of variable remuneration.

The claw-back mechanisms, (i.e. the restitution of all or part of the variable remuneration) can be activated with reference to the overall variable remuneration already paid, awarded for the performance period to which the “violation” is referable, without prejudice to more restrictive local laws or provisions.

The claw-back mechanisms can be activated for a period up to 5 years after the payment of the upfront component or any deferred component of the variable remuneration (the “Reference Period”), also after the termination of the employment relationship and/or of the role. The claw-back mechanisms also take into account of the legal, pension and tax aspects and the time limits provided by law and practices locally applicable.

The claw-back mechanisms can be activated, in the case of verification of behaviours adopted in the Reference Period for which the variable remuneration has been awarded (performance period), in which the employee:

- has adopted conduct that does not comply with legal, regulatory or statutory provisions or with codes of ethics or conduct applicable to Fineco Asset Management DAC, which resulted in a significant loss for the Group or the Company or for its customers;
- has displayed further conduct that does not comply with legal, regulatory or statutory provisions or with codes of ethics or conduct applicable to Fineco Asset Management DAC, in the cases envisaged by the latter; has contributed with fraudulent behaviour or gross negligence to incurring significant financial losses, or by his conduct had a negative impact on the risk profile or on other regulatory requirements at Group or Company level;
- has engaged in misconduct and/or fails to take expected actions which contributed to significant reputational harm to the Group or the Company, or which were subject to disciplinary measures by the Authority;
- is the subject of disciplinary measures and initiatives envisaged in respect of fraudulent behaviour or characterized by gross negligence during the reference period;
- has infringed the requirements set out by relevant regulatory provisions, regarding the obligations on remuneration and incentives.

Moreover, the malus mechanisms are activated to take into account the performance adjusted for the risks actually taken and financial conditions of the Company and individuals behaviours.

### 3.4 Termination payments

- The calculation of any severance pay-outs prescribed or suggested by the specific market of reference takes into consideration the long-term performance in terms of shareholder added-value, as well as any local legal requirements, collective / individual contractual provisions, and any individual circumstances, including the reason for termination.
- According to the Termination Policy issued by Fineco Asset Management DAC, it is provided that the maximum limit of termination payments - inclusive of the indemnity in lieu of notice – is equal to 24 months of overall remuneration. In any cases, the termination payments do not exceed the limits foreseen by the laws.
- As a rule, discretionary pension benefits are not granted and, in any case, even if they may be provided in the context of local practices and/or, exceptionally, within individual agreements, they are paid consistently with the specific and applicable laws and regulations.
- The individual contracts must not contain clauses envisaging the payment of indemnities, or the right to keep post-retirement benefits, in the event of resignations or dismissal / revocation without just cause or if the employment relationship is terminated following a public purchase offer. In case of early termination of the mandate, the ordinary law provisions would therefore apply.

### 3.5 Non-standard compensation

- Non-standard compensation are those compensation elements not usually provided under our Remuneration Policy and are considered exceptions (for instance welcome bonus, guaranteed bonus, special award, retention bonus).
- These awards are limited only to specific situations related, for example, to hiring phases, launch of special projects, achievement of extraordinary results, high risk of leaving for critical / strategic people / roles.
- Moreover, these awards must in any case be in accordance with regulations from time to time in force and subject to Group and Fineco Asset Management DAC governance processes, periodically monitored and disclosed and must be subject to *malus* conditions and claw-back actions, as legally enforceable. In the case of guaranteed bonuses, these must occur only in the context of hiring new staff and are limited to the first year of engagement of such staff.

### 3.6 Compliance Drivers

**To support the design of remuneration and incentive systems the following “compliance drivers” were defined:**

✓ maintenance of an adequate ratio between economic and non-economic goals, depending on the role (in general, at least one goal should be non-economic)

✓ non-economic quantitative measures should be related to an area for which the employee perceives a direct link between her/his performance and the trend of the indicator

✓ qualitative measures must be accompanied by an ex-ante indication of objective parameters to be considered in the evaluation, the descriptions of expected performance and the person in charge for the evaluation

✓ among the non-financial goals (quantitative and qualitative), include, where relevant, goals related to Risk as well as to Compliance



<p>✓ set and communicate <i>ex-ante</i> clear and pre-defined parameters as drivers of individual performance</p>	<p>✓ avoidance of incentives with excessively short timeframes</p>
<p>✓ promotion of a customer-centric approach which places customer needs and satisfaction at the forefront and which will not constitute an incentive to sell unsuitable products to clients</p>	<p>✓ take into account, even in remuneration systems, the principles of fairness in relation with customers, management of legal and reputational risks, protection and loyalty of customers, compliance with the provisions of law, regulatory requirements, and applicable self-regulations</p>
<p>✓ create incentives that are appropriate in avoiding potential conflicts of interest with customers, taking into account the endorsement of appropriate business conduct and fairness in considering the customers rights and interests.</p>	<p>✓ economic goals must be avoided for Company Control Functions and individual goals set for employees in these functions shall reflect primarily the performance of their own function and be independent of results of monitored areas, in order to avoid conflict of interest</p>
<p>✓ define – for personnel providing investment services and activities – incentives that are not only based on financial parameters, but also take into account the qualitative aspects of the performance; this in order to avoid potential conflicts of interest in the relationship with customers</p>	<p>✓ the approach for Company Control Functions is also recommended where possible conflicts may arise due to function's activities. This is the case in particular of functions of the Company (if any) performing control activities pursuant to internal/ external regulations</p>
<p>✓ maintenance of adequate balance of fixed and variable compensation elements also with due regard to the role and the nature of the business performed. The fixed portion is maintained sufficiently high in order to allow the variable part to decrease, and in some extreme cases to drop down to zero</p>	<p>✓ for the purpose of granting incentives, take also into account any disciplinary sanctions and/or sanctions by regulatory authorities imposed on the resource. In the presence of these measures, the possible allocation of the incentive will require a written explanation, which will make possible a case-by-case verification of the managerial decisions</p>
<p>✓ in case of individual performance evaluation systems are fully or partially focused on a managerial discretionary approach, the evaluation parameters should be defined <i>ex-ante</i>, should be clear and documented from the manager at the beginning of the evaluation period. Such parameters should reflect all applicable regulation requirements. The results of managerial discretionary evaluation should be formalised for the adequate and predefined monitoring process by the proper functions</p>	<p>✓ all rewarding system communication and reporting phases shall be documented in writing and shall clearly indicate that the final evaluation of the employee achievements will also rely, according to local requirements on qualitative criteria such as:</p> <ul style="list-style-type: none"> <li>- compliance to external (i.e. laws / regulations) and internal rules (i.e. policies)</li> <li>- mandatory training completion</li> <li>- existence of disciplinary procedures officially activated and/or disciplinary sanctions actually applied</li> </ul>

# 4. Remuneration Structure

## 4.1 Employees

Fineco Asset Management DAC is committed to ensure fair treatment in terms of compensation and benefits regardless of age, race, culture, gender, disability, sexual orientation, religion, political belief and marital status.

Our total compensation approach provides for a balanced package of fixed and variable, components, each designed to impact in a specific manner the motivation and retention of employees.

In line with the applicable regulations, particular attention is paid to avoid incentive elements in variable compensation which may induce behaviours not aligned with the company’s sustainable business results and risk appetite.

As policy target, fixed compensation for *Identified Staff* may consider as a reference the market median, with individual positioning being defined on the basis of specific performance, potential and people strategy decisions.

With particular reference to *Identified Staff* – within the governance defined according to the applicable laws and regulations - the Board of Directors, establishes the remuneration structure for employees considered Identified Staff, defining the mix of fixed and variable compensation elements, and the criteria and features of *Identified Staff* incentive plans, ensuring the appropriate balance of variable reward opportunities within the pay-mix structure.

4.1.1 Type of fixed remuneration	Purposes	Features
<p><b>The fixed salary remunerates the role covered and the scope of responsibilities, reflecting the experience and skills required for each position, as well as the level of excellence demonstrated and the overall quality of the contribution to business results.</b></p>	<p>Fixed salary is appropriately defined for the specific business in which an individual works and for the talent, skills and competencies that the individual brings to the Company.</p> <p>The relevance of fixed compensation weight is sufficient to reward the activity rendered even if the variable part of the remuneration package is not paid due to non-achievement of performance goals such as to reduce the risk of excessively risk-oriented behaviours, to discourage initiatives focused on short-term results and to allow a flexible bonus approach.</p>	<p>Pay-mix of fixed and variable compensation is defined as appropriate to ensure a proper risk management governance.</p>

<p><b>4.1.2 Type of variable remuneration</b></p> <p><b>The variable compensation includes payments depending on performance (company and individual), independently from how it is measured (profitability goals etc.) or on other parameters (e.g. length of service).</b></p>	<p><b>Purposes</b></p> <p>Variable compensation aims to remunerate achievements by directly linking pay to performance outcomes in the short, medium and long-term, and risk adjusted.</p> <p>To strengthen the alignment of shareholders' interest and the interests of management and employees, performance measurement reflects the actual results of the Company overall, the business unit of reference and the individual. As such, variable compensation constitutes a mechanism of meritocratic differentiation and selectivity.</p>	<p><b>Features</b></p> <ul style="list-style-type: none"> <li>▪ Adequate range and managerial flexibility in performance-based pay-outs are an inherent characteristic of well-managed, accountable and sustainable variable compensation, which may be awarded via mechanisms differing by time horizon and typology of reward.</li> <li>▪ Incentives remunerate the achievement of performance objectives, both quantitative and qualitative (among which ESG initiatives may be present), by providing for a variable bonus payment.</li> <li>▪ An appropriately balanced performance-based compensation element is encouraged for all employee categories as a key driver of motivation and alignment with organizational goals and is set as a policy requirement for all business roles.</li> <li>▪ The incentive systems features, including performance measures and pay mechanisms, must avoid an excessive short-term focus by reflecting the principles of this Policy, focusing on parameters linked to profitability and sound risk management, in order to guarantee sustainable performance in the medium and long-term. The <i>Identified Staff</i> contracts provide only the "eligibility" to the variable compensation. The amounts related to the variable compensation and all the technical details of the pay-out (instruments, pay-out structure, timing) are included in a specific communication not included in the <i>Identified Staff</i> contract and are managed in strict coherence with the governance and the rules of the delegation of authorities.</li> <li>▪ More details on the design of remuneration and incentive systems, with particular reference to Control Functions, are reported in the section "<i>Compliance Drivers</i>".</li> </ul>
<p><b>Incentive Systems linked to individual performance</b></p>	<p>Aim to attract, motivate and retain strategic resources and maintain full alignment with national and international</p>	<ul style="list-style-type: none"> <li>▪ Reward is directly linked to performance, which is evaluated on the basis of results achieved and on the alignment with our leadership model and values.</li> </ul>

regulatory requirements and with best market's practices.

- For *Identified Staff*, performance management is a cornerstone of fair and coherent appraisal across the organisation. Fineco Asset Management DAC's Identified Staff appraisal and reward processes are set up without prejudice to processes and governance applicable to Company Employees that are Fineco Asset Management DAC and/or Group Identified Staff.
- For the remaining employees, incentives are determined on a discretionary basis according to the individual performance appraisal that foresees a yearly, written, and documented process for the goals setting, self-assessment, managerial assessment and the definition of an individual development plan.
- Where foreseen by regulations, the pay-out is phased to coincide with an appropriate risk time horizon. The design features of incentive plans for *Identified Staff* are aligned with long-term, firm-wide profitability and risk, providing for an appropriate allocation of a performance related incentive in cash and in instruments, upfront and deferred
- The individuals' behaviours (compliance with internal and external rules and regulations, absence of disciplinary actions and completion of mandatory training) are also evaluation elements to assign individual incentives.

### 4.1.3 Benefit

**Benefits include welfare benefits that are supplementary to social security plans and are intended to provide substantial guarantees for the well-being of staff and their family members during their active career as well as their retirement.**

**In addition, special terms and conditions of access to various Fineco Asset Management dac products and other services may be offered to employees in order to support them during different stages of their lives.**

Benefits aim to reflect internal equity and overall coherence of our remuneration systems, catering to the needs of different categories as appropriate and relevant.

- Benefits are established on the basis of Fineco Asset Management DAC practices, in coherence with the Group framework, and based on general common criteria for each employee category.

### 4.2 Non-Executive members of Administrative and Auditing Bodies

For non-executive members of the Board of Directors, in line with the regulatory provisions, stock option based or more in general, share-based incentives are avoided. The remuneration of said subjects is fixed and determined on the basis of the relevance of the role, of possible additional duties, and of the requested efforts for carrying out the assigned tasks and is not linked to economic results.

### 4.3 Risk Takers

On an annual basis the Firm shall designate its 'risk takers' (or "Identified Staff"). The Risk Takers identification typically includes Compliance and Risk functions of the Company and takes into consideration the relevant regulation.

Risk Takers or Identified Staff are employees with a material impact on the Company Risk Profile.

The local identification of Identified Staff does not prevent the identification from FinecoBank of Group Identified Staff that may be subject to additional requirements in terms of their remuneration.

## 5. Policy Review

### Annual Review

The Firm's Remuneration Policy is reviewed by the Board of Directors of the Company at least once per annum to ensure it is compliant with relevant legislation and remains appropriate to the Firm's size, internal organization and the nature, scope and complexity of its activities.

This review will ensure that:

- the overall remuneration system operates as intended;
- the remuneration pay-outs are appropriate;
- the risk profile, long term objectives and goals of the Managed Funds are adequately reflected; and
- the Policy reflects best practice guidelines and regulatory requirements.

In case of any deficiencies identified in the Policy, the CEO will take appropriate measures to address them through the implementation of a timely remedial plan. This plan should outline the deficiencies in detail, along with actions to be taken to address these, staff members involved and timelines for remediation.

The Group Internal Audit of the Company, may engage in an annual review of the remuneration policy. If, following an annual or other review of the levels of adherence to the Company's Policy, it transpires that the Company is not fully compliant with the principles set out therein, corrective action may be required. If a review of Company's Policy identifies any non-compliance with UCITS V Directive or any further relevant regulation or requirement, a re-statement of the Policy may be the appropriate course of action. Any such re-statement will be subject to the prior approval of the Board.