FCS Asset Management Ltd.
Remuneration Policy

Under article 13 and Annex II of the AIFMD,

"... Member states shall require AIFMs to have remuneration policies and practices for those categories of staff, including senior management, risk taker, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the AIFMs or the AIFs they manage, 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 AIFs they manage.".

And,

Directive 2009/65/EC as amended by Directive 2014/91/EU on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as regards depositary functions, remuneration policies and sanctions ("UCITS V") and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 as amended by the European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016 requires FCS Asset Management Ltd. to have in place remuneration policies and practices for those certain categories of staff of the Company whose professional activities have a material impact on the risk profile of the UCITS under management (the "Identified Staff").

This policy has been drafted making direct reference to the ESMA Final Report: "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD".

Date: 3rd March 2021

FCS | Funds & Capital Solutions

The Directors of FCS Asset Management Ltd. (the "Company") accept responsibility for the information contained herein

Document Control

Ownership

Policy Owner	Owner Department
Dr Franklin Cachia	Compliance Department

Validation Process

Validation Authority	Status	Date
Head of Middle Office	Approved	04.07.2016
Board of Directors	Approved	19.05.2017
Board of Directors	Approved	03.03.2021

Version History

Version No.	Version Date	Requester of Change	Change Description
1	07/02/2013		Initial Version
2	09/10/2015	Neal Rossignaud	Changes in line with MFSA feedback
3	30/06/2016	Neal Rossignaud	Annual Review
4	01/26/2017	Eliza Montebello	Changes in line with MFSA feedback
5	11/11/2019	Daniela Pace Bonello	Changes in line with MFSA feedback
6	03/03/2021	Board of Directors	Amendment to align with Regulation (EU) 2019/2088 (“SFDR”)

Change Mechanism

Any requirement for change or clarification should be addressed to the Document Owner, who will log this issue in the Issue Log, “**Annex I: Issue Log**”.

These issues will usually be collected via the Issue Log until the regular policy review date at which point they will be addressed as part of the policy review and update process.

Urgent issues will be addressed as soon as possible and where necessary passed via the normal governance process for acceptance before being communicated in the Remuneration Policy.

Definitions

Company	FCS Asset Management Limited
Board	means the board of directors of the Company, being the body with ultimate decision-making authority in the Company, which might comprise also of supervisory and managerial functions
ESMA Guidelines	means the ESMA Final report titled "Guidelines on Sound Remuneration Policies under the UCITS Directive and AIFMD" *(31 March 2016 ESMA/2016/411)*
MFSA Guidelines	Guidance Notes on the application of the proportionality principle issued by the Malta Financial Services Authority
Clients	means all clients, including UCITS, AIFs and discretionary professional clients/managed accounts, managed by FCS Asset Management Ltd. A complete list of Clients can be found in **Annex II – Clients Managed by FCS Asset Management Ltd**.
Remuneration	means all forms of payments or benefits of any type paid by the Company, any amount that may be paid directly by the Clients themselves, including performance fees, and any transfer of units of the Clients in exchange for professional services rendered by the Company's Identified Staff
UCITS	means an undertaking for collective investment in transferable securities pursuant to the UCITS Directive
AIF	means an Alternative Investment Fund pursuant to the AIFM Directive
Control Functions	persons in charge of the internal control functions of the Company (Risk Management & Compliance)

Background

The Company is authorised as a UCITS Management Company pursuant to Directive 2009/65/EC and an Alternative Investment Fund Manager ("AIFM") pursuant to Directive 2011/61/EU. In addition, the Company is authorised to provide investment services to professional clients and eligible counterparties in terms of Directive 2004/39/EC ("MIFID") and recognised as a Fund Administrator by the MFSA.

As identified within Annex II of this policy, the Company currently manages UCITS schemes, a discretionary client, a notified AIF and also Reserved AIFs.

As required by the above-mentioned regulatory regimes, the Company established, implemented, and maintains this remuneration policy that is consistent with and promotes sound and effective risk management.

Where applicable, this Policy takes into account the European Securities Markets Authority ("ESMA") Guidelines on sound remuneration policies under the UCITS Directive and AIFMD, ESMA Guidelines on Remuneration policies and practices under MiFID and the Guidance Notes on the application of the proportionality principle issued by the Malta Financial Services Authority ("MFSA").

Moreover, pursuant to Article 5 of Regulation (EU) 2019/2088 ("SFDR") relating to sustainability-related disclosures in the financial services sector, this Remuneration Policy also includes information on how remuneration is consistent with the integration of sustainability risks.

Objectives

The purpose of this Policy is to set out the remuneration policy of the Company.

This Policy, together with its implementation process and ongoing monitoring, is a tool which the Company uses to mitigate the risk of employees of the Company to act in a manner that is inconsistent with the risk profiles, rules and instruments of incorporation of its clients and contrary to the client's and/or investor's best interest against behaviours which could lead to failing to act in the client's best interest.

This Policy does not set down specific monetary remuneration for individual staff members, as each remuneration package remains primarily a matter for the Board. Rather, through adoption and implementation of the policies contained in this document, the Company seeks to demonstrate how it complies with the remuneration provisions.

This Policy has been established and adopted by the Board of Directors, acting in its supervisory function, who have worked closely with the persons in charge of the internal control functions of the Company.

Application

The requirements of this Remuneration Policy apply only in relation to certain categories of the Company's employees which have a material impact on the risk profiles of the Company and the clients it manages, namely: executive and non-executive members of the Board, senior management, risk takers, control functions, staff responsible for heading the investment management, administration and marketing and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the Company's risk profile, (the "Identified Staff").

The exact list of Identified Staff is determined and approved by the Board on an annual basis and updated for any changes on a rolling basis (including on recruitment or promotion into covered roles). The Company's Identified Staff will be notified annually of their status and of the implication of their status. The following is a current list, as of the date of this Remuneration Policy, of the Identified Staff of the Company, as determined by the Board in accordance with the Remuneration Provisions:

Category	***Identified Staff***
Members of Governing Body	Board of Directors
Control Functions	Risk Manager
	Compliance Officer
Other Risk Takers	Investment Committee Members
	Portfolio Managers

As at the date of this Policy, the portfolio management function of the Company is not delegated with regard to the UCITS and AIFs managed by it. With respect to the Risk Management Function, this has been delegated to RMC Wise Limited

Types of Remuneration

The requirements of this Remuneration Policy cover fixed or variable remuneration provided in exchange for professional services rendered by identified staff, and include:

- all forms of payments and benefits paid by the Company;
- any amount paid by the clients, including carried interest and any portion of performance fees that are paid directly or indirectly for the benefit of identified staff; and
- any transfer of units or shares in the clients.

Dividends or similar distributions that shareholders receive, as owners of the Company, are excluded to the extent that they do not amount to a circumvention of the rules.

As of the date of this Policy and based on the principles established herein, in addition to fixed remuneration, the Company offers variable remuneration mainly in the form of cash bonuses to only one staff member, being the Company's Chief Investment Officer. All other staff members including the Board are only entitled to fixed remuneration as specified within their contract.

Proportionality

The Board of the Company has considered the application of the proportionality principle and, taking into account the regulatory requirements as well as ESMA and MFSA's Guidelines, has determined that, given the size and internal organisation of the Company and the nature, scope and complexity of its activities, it is able on proportionality grounds to neutralise at the level of the whole Company, the remuneration rules relating to the pay-out process of the variable remuneration (Annex II, point (1),m) to o) of the AIFM Directive and Article 111ter, (1), points m) to o) of the UCIT Directive), and the requirement to establish a remuneration committee (Annex II, point (3) of the AIFM Law and Article 111ter, (3) of the UCITS Directive).

The Board has carried out an assessment and determined that the Company is not significant in terms of size, internal organisation and nature, scope and complexity of its activities and that such disappliction is reconcilable with the risk-profile, risk appetite and strategy of the clients based on the following factors:

1. **Size**

   The Assets under Management of the Company are currently under EUR 65 million(or its equivalent in any other currency). In addition, the Company currently has less than 15 employees (including the members of the Board), operating from Malta and it's branch in Spain.

2. **Internal Organisation**

   The Company has a simple legal structure and is not listed or traded on any regulated markets. It operates from Malta, having also a branch in Spain The Company has approximately 9 employees. The internal governance of the Company is not considered to be complex. The UCITS managed by the Company are non-complex funds.

3. **Nature, scope and complexity of its activities**

   The Company is authorised to act as a UCITS and AIF Management Company, as well as to provide ancillary services to professional and eligible counterparties under MiFID. The Company is also recognised as a Fund Administrator by the MFSA. A list of client types is provided in Annex II of this policy.

   The investment decisions are taken by the Investment Committee, therefore the Company's employees are involved in the trading of investments or the decision making regarding the client's investment strategies. The Company's role is to provide compliance, risk, and operational services to its Clients. Currently, the Company offers services in Malta, Luxembourg, and Spain. However, currently, no services are being provided from the Luxembourg branch.

   The investment policies and strategies of the Clients are predominantly considered to be non-complex, although certain Clients which are structured as AIFs (whether

Regulated/Notified or Full AIFs) may have strategies which are considered somewhat complex.

In line with MFSA's guidelines, the Company is required to submit the above-mentioned proportionality assessment indicating how the derogation would be appropriate in terms of its size, internal organisation, nature, scope, and complexity to the MFSA every two years.

Remuneration Principles and Company's policies

1. Risk Management and Risk Tolerance

– The company must ensure that its remuneration policy is consistent with and promotes sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profiles of the instrument constituting the fund of the clients it manages.

The Board, established this Policy which is consistent with and promotes sound and effective risk management and more particularly:

– Is in line with the business strategy, objectives, values and interests of the Company and the Clients it manages and of the investors of such Clients;
– Does not encourage excessive risk-raking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Clients managed by the Company;
– Enables the Company to align the interest of the Clients and their investors with those of Identified Staff that manage such Clients, and to achieve and maintain a sound financial situation.

In fact, the Company maintains:

– Strong disclosure practices, which provide investors with the information they need to determine whether to invest in a Client (where such client is a collective investment scheme) managed by the Company, monitor their investment and make a decision whether to redeem their investment based on the risk profile of the investment strategy;
– Robust valuation policies and procedures to provide for clear and consistent valuations of the investments in the Client's portfolio, with independent oversight

provided by the Client's board or other governing body, independent auditors and expert valuation advisers, where relevant;

- Comprehensive and independent risk management processes to measure, monitor, report and manage risk, including stress testing of the portfolio and liquidity risk management;
- Sound operational and regulatory systems and controls;
- A strong culture of compliance sponsored by the governing body with specific practices to address conflicts of interest.

2. Supporting business strategy, objectives, values and interests, and avoiding conflicts of interest

- The Company must ensure that its remuneration policy is in line with the business strategy, objectives, values and interests of the Company and the clients it manages or the investors of such clients and includes measures to avoid conflicts of interest.

This Policy is in line with the business strategy, objectives, values and long-term interest of the Company, the clients and their investors.

The Company operates a management fee and a performance fee and accordingly is expected to cover its costs even during poor performance, having sufficient income to look after its assets during adverse market conditions.

The Company considers all conflicts within its conflicts of interest policy and process. This requires the Company to review potential conflicts of interest on a regular basis.

Conflicts of interest involve a failure by the Company to act in the best interests of its client(s) and will typically involve a material risk of damage to the interests of that client. Either the Company (and connected persons) may gain a benefit at the expense of a loss or disadvantage to a client; or one client may gain a benefit at the expense of a loss or disadvantage to another client.

When assessing a potential conflict of interest the Company will consider whether it:

- is likely to make a financial gain, or avoid financial loss, at the expense of the client;
- has a distinct interest in the outcome of the service provided to the client or of a transaction carried out on behalf of the client;

- has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client;
- carries on the same business as the client; or receives, or will receive, from a person other than the client an inducement in relation to the service provided to the client, in the form of monies, goods or services, other than the standard commission fee or fee for that service

Individuals may act unfairly between clients if their remuneration structure encourages them to favour one Client over another. The Firm ensures fair treatment of clients by having an allocation policy and ensuring that it adheres to that policy. In addition, the Company has a gifts and inducement policy to ensure that no undue influence is brought to bear on the trade allocation process.

3. Governance: The Company must:

- ensure that the governing body, in its supervisory function, adopts and periodically reviews the general principles of the remuneration policy and is responsible for its implementation;
- ensure implementation of the remuneration policy is, at least annually, subject to central and independent internal review for compliance with policies and procedures for remuneration adopted by the management body in its supervisory function.

The Board, excluding any board member involved within the valuation function of the Company, has the overall responsibility for ensuring that this Policy complies with the Remuneration Provisions. The design and implementation of the Policy is the responsibility of the Board assisted by the control functions including the Compliance Officer and the Risk Management team.

The following elements are taken into account in the design, implementation and oversight of the Company's remuneration policies and practices:

- the Company's overall corporate governance principles and structures, as well as their interactions with the remuneration system;
- the inputs provided by the control functions of the Company which will be properly involved in the design and annual review of this Policy;

- the clear distinction between operating and control functions, the skills and independence requirements of members of the Board, the safeguards for preventing conflicts of interest and the internal reporting system and the related parties' transaction rules

The Control Functions of the Company will assist the Board in the design and the review of the Policy, including in determining the overall remuneration strategy applicable to the Company, having regard to the promotion of effective risk management.

The implementation of the Policy will be reviewed on an annual basis at a minimum by the control functions. The review will assess whether the overall remuneration system operates as intended (in particular, that all agreed plans/programs are being covered; that the remuneration pay-outs are appropriate, and that the risk profile and long-term objectives and goals of the Licence Holder are adequately reflected); In particular:

- The Risk Management Function will assess how the variable remuneration structure affects the risk profile of the Company, namely by:
    - Taking part, when need be, in the update of the Policy, especially regarding the identification of Identified Staff;
    - Providing feedback and report to the Board including input on any risk exposures and/or risk related incidents, which may have to be considered by the Board depending on their nature and materiality;
- The Compliance Function will analyse how the remuneration structure affects the Company's compliance with legislation, regulation and internal policies, namely:
    - Taking part, when need be, in the update of the Policy, especially regarding the identification of the Identified Staff;
    - Communicating to the Board any new legal and/or regulatory text to take into account with regards to the Policy;
    - Reviewing the Policy to ensure it effectively complies with the applicable legal and regulatory requirements, in close collaboration with the risk management officer and internal audit;
    - Performing gap analysis of the Policy with regards to new applicable legal and / or regulatory text;

- Providing feedback and reports to the Board including input on any significant compliance findings in the compliance reviews that the Board may have to be considered depending on their nature and materiality.

The control functions shall present the results of the annual review and any recommendations to the Board. The Board shall promptly evaluate the results of the review, address any recommendations, and make any changes to the Remuneration Policy that it deems appropriate.

All changes or material exceptions to the Remuneration policy are to be approved by the Board, whether in relation to the annual review or otherwise.

4. Control Function Independence: *The Company must ensure:*

- that employees engaged in control functions are compensated accordingly to the achievement of the objectives linked to their functions, independent of the performance of the business area they control;
- That the remuneration of the senior officers in the risk management and compliance function is directly overseen by the remuneration committee, or if such a committee has not been established, by the governing body in its supervisory function.

This policy and its implementation will be reviewed by the Board.

The Company ensures that the control functions are independent from the business units they oversee, have appropriate authority, and are remunerated sufficiently in order to attract qualified and experienced staff. The compliance officer and risk management team are not involved in the investment side of the business, they operate completely independently in day-to-day roles and report to the Company's Board. The Board ensures that the control functions have sufficient resources in order that duties can be fulfilled with both independent challenge and oversight.

The remuneration of control functions is specified within their contract. The Company does not offer variable remuneration to the control functions.

The Control Functions shall provide appropriate input in setting the individual remuneration for other identified staff, particularly the chief investment officer, regarding the behaviour of the individual/s concerned and the riskiness of the function/s they perform. However, the

Board shall not involve or consult the Control Functions in discussion or decisions relating to the remuneration of the Control Functions, if any.

The Board shall determine its own remuneration although it shall take into consideration any recommendations made by the Control Functions and shall be able to substantiate any decision not to follow such recommendations. Board Members involved in the valuation function of the Company may take part in meetings which discuss remuneration, but shall not vote on any decisions to be taken regarding their remuneration or the overall remuneration policy setting of the Company. None of the Board Members are entitled to a performance-based remuneration, therefore avoiding any potential conflict of interest.

5. Remuneration structures – *assessment of performance*

- Where remuneration is performance related, the total amount of remuneration is based on a combination of the assessment of the performance of the individual and the overall results of the Company (and, if applicable, of the business unit or Clients concerned), and when assessing individual performance, financial as well as non-financial criteria are taken into account;
- The assessment of performance must be set in a multi-year framework appropriate to the life-cycle of the clients in order to ensure that the assessment process is based on longer-term performance.

The performance of identified staff is assessed via the annual performance appraisal process implemented by the Company based on quantitative as well as qualitative (non-financial) criteria.

Following the end of each financial year, an annual performance and appraisal interview is held for all employees of the Company. The performance of each individual employee is evaluated, and new goals are set. Decisions on adjustments of the employees fixed salary or on performance-based pay are made by the Executive Board on the basis of this meeting.

The appropriate mix of quantitative and qualitative criteria will depend on the tasks and responsibilities of the staff members. In all cases, the quantitative and qualitative criteria, and the balance between them should be specified and clearly documented for each level and category of staff. Quantitative measures will cover a period which is long enough to properly capture the risk of the staff member’s actions. In addition to quantitative performance measures, variable remuneration awards will also be sensitive to the staff's performance with respect to qualitative measures.

No variable remuneration shall be paid to identified staff unless it is determined to be justified by the Board. In conducting the performance assessment, the Board shall seek the appropriate input of the Control Functions.

The primary performance assessment criteria on which the variable remuneration of Identified staff shall be based on the attainment of function specific objectives. In addition, the Board shall also take into account the aggregate performance of the clients and the attainment of the investment objectives and overall objectives of the Company. The board reserves the right to take into account additional criteria on a case-by-case basis.

Negative non-financial performance, in particular unethical or non-compliant behaviour will override any good financial performance generated by a staff member and will diminish the staff member's variable remuneration.

The Company awards discretionary bonuses only after (i) the clients have been audited and the increase in value has been determined and (ii) the capital resources requirements of the Company have been satisfied.

6. Remuneration structures – *guaranteed variable remuneration:*

- The Company must not award, pay or provide guaranteed variable remuneration unless it is exceptional, occurs in the context of hiring new identified staff, but is more generous than the variable remuneration awarded or offered by a previous employer; and is limited to the first year of service.

The Company may, on exceptional basis, decide to guarantee the payment of an exceptional variable remuneration in the context of hiring a highly qualified new member of staff, for the period of 1 year. In such a case, the Company will set the terms and conditions of such exceptional bonus taking into consideration the financial soundness of the Company (and, if applicable, the Clients managed by it);

The Company will not award, pay or provide guaranteed variable remuneration in the context of new staff unless it has taken reasonable steps to ensure that the remuneration is not more generous, in either its amount or terms, than the variable remuneration awarded or offered by the previous employer. The circumstances pertaining to any such award will be documented and retained on file.

7. Remuneration structures – *fixed and variable components of total remuneration*

- Fixed and Variable components of total remuneration must be appropriately balanced, and the fixed component must represent a sufficiently high proportion 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;

Fixed based remuneration, i.e. salary, is agreed at the point of hiring the individual and is in line with prevailing market conditions for the specific person. Salaries are reviewed at least annually; however salary is taken into account when allocating any variable component of remuneration to ensure that the total compensation of each individual is within the limits expressed in this Policy. In deciding each individual's total compensation due regard is taken of an appropriate balance between fixed and variable remuneration. Therefore due to the nature of performance, performance sets the proportion of remuneration as it is based. Zero performance results in zero variable remuneration.

8. Remuneration structures – payments related to early termination

- The Company must ensure that payments related to the early termination of a contract reflect performance achieved over time and are designed in a way that does not reward failure.

Any rewards pertaining to the early termination of a contract shall be carefully determined on a case-by-case basis in accordance with life cycle of the clients and with deference to the best interests of the clients and its underlying investors, the Company and the staff member. Any such payments shall be reviewed by the control function and ratified by the Board.

Existing contractual payments in relation to the termination of employment must be reviewed to ensure they are consistent with the general requirements of this Policy.

9. Remuneration structures – *measurement of performance*

- The Company must ensure that measurement of performance used to calculate variable remuneration components, or pools of variable remuneration components, includes a comprehensive adjustment mechanism to integrate all relevant types of current and future risks

The measurement of performance used to calculate variable remuneration includes the consideration of an individual's performance in the role assigned to them as well as an adjustment for current and future risks, both company specific as well as macro-economic elements and takes into account the cost of the capital and liquidity required.

The maximum annual variable remuneration that may collectively paid to Identified Staff shall be maintained in a reserve (the "Variable Remuneration Pool"). The percentage of profit to be kept in reserve on an annual basis is to be determined by the Board in consultation with the Risk Management Team, taking into account relevant types of current and future risks. Annex III of this policy includes checkpoints which may be taken into account for determining the variable remuneration pool.

The total amount that may be disbursed in variable remuneration awards from the Variable Remuneration Pool shall be determined by the Board in its sole discretion, based on its assessment of each individual member of Identified Staff and any other considerations that it may deem relevant.

The Company will always ensure that it maintains a balance between a sound financial situation and the pay out of remuneration. The Company will be responsible to ensure that its financial situation will not be negatively affected by the amount of variable remuneration that will be awarded that year, nor the amount of variable remuneration that will be approved or paid in that year. If the Company risks becoming unable to maintain a sound financial situation, it will:

- Reduce the variable remuneration pool for that year; and
- Introduce application of performance adjustment measures in that financial year

The Company shall not compensate for this at a later date by awarding, paying out or vesting a greater amount of variable remuneration that it otherwise would have done, unless it becomes evident in subsequent years that the Company's financial results justify such actions.

Variable remuneration of identified staff will be reduced when there (i) is reasonable evidence of employee misbehaviour or material error or (ii) has been a material risk management failure by an individual member or group of identified staff.

10. Pension Policy

- The Company's pension policy must be in line with its business strategy, objectives, values and long-term interests of the Manager (the Company) and the clients.

The Company does not currently have a pension policy for its identified staff. Should the Company decide to adopt a pension policy, such policy will be in line with its business strategy, objectives, values and long-term interests of the Company and the client.

11. Personal hedging strategies

- The Company must ensure that its employees are required to undertake not to use personal hedging strategies or remuneration and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements.

All employees will be required to undertake not to use personal hedging strategies or remuneration and liability related insurance to determine the risk alignment effects embedded in their remuneration arrangements. Breach of this undertaking will result in appropriate disciplinary action by the Board.

12. Avoidance of the Remuneration Code

- Variable remuneration must not be paid through vehicles or methods that facilitate the avoidance of the Remuneration Provisions.

The Company will not pay remuneration through any vehicles or methods that will facilitate the avoidance of this policy.

Record Keeping

The Company will document the award process and ensure that records of the determination of the overall variable remuneration pool are maintained.

Disclosure

Internal Disclosures: this Policy will be accessible to all staff members on any business day. Staff are made aware in advance the criteria that will be used to determine their remuneration and of the appraisal process. Confidential quantitative aspects of the remuneration of staff members will of course remain confidential and will thus not be internally disclosed.

External Disclosures:

- Following its ratification by the Board, this Policy is published on the Company's website (www.fcs-am.com)
- Pursuant to the requirements of the UCITS Directive, the following disclosures are required in the Prospectus / Offering Memorandum of UCITS: A summary of the remuneration policy and a statement to the effect that the details of the up-to-date remuneration policy, including but not limited to a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits;
- The Company shall also include information on how this Policy is consistent with the integration of sustainability risks and shall include such information on its website.

The Company will also ensure that the Annual Report of the UCITS clients includes the following disclosures:

  - The total amount of remuneration for the financial year, split into fixed and variable remuneration paid by the Company and by the UCITS to its staff, and the number of beneficiaries, and where relevant, any amount paid directly by the UCITS itself, including any performance fee;

- The aggregate amount of remuneration broken down by categories of employees or other members of staff
- A description of how the remuneration and the benefits have been calculated
- The outcome of the reviews referred to in points (C) and (d) of Article 14b(1) of the UCITS Directive including any irregularities that have occurred;
- Material changes to the adopted remuneration policy

The Company will ensure that either its annual report or the annual report of any EU AIFs or AIFs marketed in the EU which the Company may manage includes the following disclosures:

- the total amount of remuneration for the financial year, split into fixed and variable remuneration, paid by the AIFM to its staff, and number of beneficiaries, and, where relevant, carried interest paid by the AIF; and
- the aggregate amount of remuneration broken down by senior management and members of staff of the AIFM whose actions have a material impact on the risk profile of the AIF.

SFDR Principles

SFDR requires the Company to include in this Policy information on how the said Policy is consistent with the integration of sustainability risks.

As outlined previously, all Identified Staff are remunerated with a fixed remuneration. No variable remuneration shall be paid to Identified Staff unless it is determined to be justified by the Remuneration Official following a performance assessment based on quantitative (financial) as well as qualitative (non-financial) criteria. Considering the very limited impact of the variable remuneration of the Identified Staff on the risk profile of the AIFs and the nature of the business of the Company, including, where applicable, the delegation of the investment management function of some AIFs to other third-party entities, the Company deems that there is no risk of misalignment with the integration of the sustainability risks the investment decision making process of the Company in respect of the AIFs.

In the event that the Company generally delegates portfolio management activity to a third-party investment Company (the “delegate”), the Delegates will endeavour on a best-effort basis to adopt remuneration policies and procedures which are consistent with the integration of sustainability risks, provided that sustainability risks are integrated into the investment decision-making process. The Company shall seek periodic confirmations from each delegate that these policies are being complied with and the remuneration structures are not encouraging excessive risk-taking with respect to sustainability risks and remuneration is limited to risk adjusted performance. This will be done when required or possible.

The Company believes that, where portfolio management is retained, its existing structures are sufficient to prevent excessive risk taking in respect of sustainability risks.

Annex I: Issue Log

Date	Issue	Updated in Version (please specify)

Annex II – Clients Managed by FCS Asset Management Ltd.

As of the date of this Policy, the Clients managed by FCS Asset Management Ltd. are the following:

Name	Type of client
FCS AT Gestion SICAV RAIF SCA	Reserved AIF
FCS Fund Services SICAV	UCITS
Swiss Life S.A.	Discretionary client/Managed Account
FCS Global Fund Services ICAV	UCITS
FCS Gestion Flexible, F.I. (sub-investment manager)	UCITS via delegation
FCS Gestion SICAV RAIF SCA	Reserved AIF
FCS Global AIFs Malta SICAV plc	Notified AIF

Annex III: Checkpoints for Determining the Variable Compensation Pool

Capital Base and Liquidity
Can FCS Asset Management Ltd. afford the proposed variable remuneration?
Sufficient liquidity to make payments? Consider impact on the Company's capital base
Request and consider input from the Finance Team

Underlying Financial Performance
Does the Company's underlying financial performance support the proposed variable remuneration?
Consider performance against financial KPIs in the annual accounts. Is there any reason to believe the financial results are not a fair reflection of underlying performance?
Request and consider input from the Risk Committee.

Risk
Does the Company's risk profile and risk management support the variable remuneration? Are any adjustments required?
Consideration of the Enterprise Risk Management analysis. Are all risks being suitably monitored and managed? Have there been any material failures of risk management or near misses in the year?
Consider whether profit reflects current and future risks and timing and likelihood of future revenues.
Request and consider input from Risk Committee.

Compliance
Have there been any material compliance breaches in the year? Are any adjustments required?
Consideration of any significant compliance breaches and/or near misses.
Consideration of any fines received in the year and any ongoing regulatory investigations.
Request and consider input from the Compliance Officer

Commercial
Are there any commercial drivers to support adjustments to the variable compensation pool?
Consider the market for talent and whether the pool would likely result in any significant over/underpayment against the market.

Reputational

Are there any reputational drivers to support adjustments to the variable compensation pool?

Has there been any reputational damage to the Company in the year?

Will the proposed variable compensation pool quantum have any adverse reputation impact on the Company?

Variable compensation pool approval