European Capital Partners (Luxembourg) S.A.
The « Company »

153-155 b, Rue du Kiem
L – 8030, Strassen, Luxembourg

R.C.S. Luxembourg : B 134 746

Revision History

Date	Version	Author	Description
09/2020	1.0	Tomasz Link	First edition
09/2021	1.01	Olga Sadaba Herrero	Update / regular review
01/2023	1.02	Martin Rausch	Update / regular review
01/2024	1.03	Martin Rausch	Update / regular review / discretionary Investment Management additions
02/2024	1.03	Martin Rausch	• Determination of substantial bonus and deferral of substantial Bonus. • Assessment of performance shall be set in a multi-year framework but is currently fixed to one year review as currently seen as most appropriate. • measurement of performance, as a basis for bonus or bonus pools, shall include an adjustment for current and future risks related to the underlying performance and shall consider the cost of the capital employed and the liquidity required. • Clearly adding that the assessment of the performance-based component of the remuneration shall be based on a longer-term performance and shall consider the outstanding risks associated with the performance. • Considering for performance review explicitly compliance with internal rules and procedures, systems and controls of ECP, as well as compliance with the standards governing the relationship with clients and investors

07/2024	1.04	Martin Rausch	• Addition of the possibility to grant a so called "ad hoc award". • Formal consent and sign off bonus and/or awards. Communication of bonus and/or awards.
October/November 2025	1.05	Martin Rausch	**Addition of Extraordinary Performance-Fee-Linked Bonus for Portfolio Managers**

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REMUNERATION POLICY

Scope of activities of ECP

On 1 February 2010, the CSSF (Commission de Surveillance du Secteur Financier) published Circular 10/437 on guidelines concerning the remuneration policies in the financial sector (the "Circular").

The Circular was addressed to all entities subject to the CSSF's prudential supervision.

The purpose of this Circular was to implement Recommendation 2009/384/EC of the EU Commission of 30 April 2009 on remuneration policies in the financial services sector (the "Recommendation").

European Capital Partners (Luxembourg) S.A. ("ECP"), as an authorized Management Company.

(i) pursuant to Chapter 15 of the amended Luxembourg Law of 17 December 2010 relating to undertakings for collective investment ("UCI") as updated by the Law of 10 May 2016 ("UCITS V Law") transposing EU Directive 2009/65/EC as amended by EU Directive 2014/91/EU ("UCITS V Directive") –

(ii) and as Alternative Investment Fund Manager ("AIFM") pursuant to Chapter 2 of the amended Luxembourg Law of 12 July 2013 on alternative investment fund managers ("AIFM Law") transposing EU Directive 2011/61/EU ("AIFMD"),

(iii) and having a MiFID top up is able to perform discretionary investment management.

As such ECP is required to establish, implement, and maintain an overall sound remuneration policy (the "Policy").

The present remuneration policy ("Policy") encourages the alignment of the risks taken by its staff with those of the funds (AIFs (SIFs and RAIFs) and UCITS – FCP and SICAV) that it manages, the investors of such funds and the management company itself. In particular, the remuneration policy should duly take into consideration the need to align risks in terms of risk management and exposure to risk.

This Policy is also based on ECP's assessment of the principles, and the proportionality principles outlined in the Final Report of the ESMA Guidelines on sound remuneration policies under the UCITS V Directive (ESMA 2016/575) and AIFMD (ESMA 2016/579), as amended from time to time ("ESMA Guidelines"), in relation to quantitative and qualitative assessment criteria (i.e. company size, internal organization and the nature and complexity of the activities).

Further, consideration has been given to the requirements as outlined in Regulation (EU) 2019/2088 on sustainability – related disclosures in the financial sector (the "SFDR Requirements").

The Policy applies to all employees within ECP and any branch representative office and legal entity that is under its control such as tied agents.

The Policy covers the remuneration of Identified Staff: those categories of staff, including senior and executive management risk takers, whose professional activities have a material impact on the risk profiles of ECP or, in its function as AIFM, of the AIFs it manages or, in its function as Management Company, of UCITS under management.

The Board of Directors of ECP (the "Board" or the "Supervisory Function") is responsible for approving and maintaining the Policy of ECP and overseeing its implementation.

The Policy will not be controlled by any executive members of the Supervisory Function. The Board will approve any subsequent material exemptions or changes to the Policy and carefully consider and monitor their effects and will review the Policy at least annually.

The Directors and Senior Management of ECP also ensure that all employees have the necessary qualifications, knowledge, and expertise to carry out the responsibilities and tasks entrusted to them.

In its current operating model, the Supervisory Function should ensure that ECP's Policy is consistent with and promotes sound and effective risk management.

The Policy should:

- Be in line with business strategy, objectives, values and interests of ECP and the funds that it manages and of the investors in such funds, in line with ECP's role as a Management Company, help the investment manager to prevent excessive risk taking as compared to their investments policy for the UCITS and AIFs;
- Enable ECP to align the interests of the UCITS and AIFs and discretionary investment managers and their investors with those of the Identified Staff that manages such UCITS and AIFs, and to

achieve and maintain a sound financial situation;

The remuneration policy has been drafted in compliance with applicable remuneration rules Including, in particular, the following legislative texts which may be amended from time to time:

- Directive 2014/65/EU of 15 May 2014 (MiFID II);
- Directive 2013/36/EU as amended by Directive 2019/878/EU of 20/05/2019 (CRD V);
- Regulation 600/2014 of 15 May 2014 (MiFIR);
- Articles 388 to 391 of CSSF Circular 18/698;
- Article 5 of Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector.
- All the opinions and RTSs issued by the European Banking Authority (EBA) and CSSF Circulars relating to remuneration, in particular Circulars 15/622 and 22/797.
- As a management company subject to Chapter 15 of the law of 17 December 2010: o CSSF Regulation 10-4 transposing Commission Directive 2010/43/EC of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards organisational requirements, conflicts of interest, business conduct, risk management and content of the agreement between a depositary and a management company. o Articles 20 and 21 of the Law of 10 May 2016 transposing Directive 2014/91/EU (reflected, respectively, in Articles 111 bis and 111 ter of the law of 17 December 2010 transposing Directive 2009/65/EC). o Guidelines on sound remuneration policies under the UCITS Directive and AIFMD dated 31 March 2016 (ESMA/2016/411) (hereinafter the "ESMA Guidelines") supplemented by ESMA Guidelines 2016/575 of 14 October 2016.
- As an AIF manager: o Article 12 and Annex II "Remuneration Policy" of the law of 12 July 2013 on alternative investment fund managers o Guidelines on sound remuneration policies under the UCITS Directive and AIFMD dated 31 March 2016 (ESMA/2016/411) supplemented by ESMA Guidelines 2016/579 of 14 October 2016.

Proportionality principle

When taking measures to comply with the remuneration principles, ECP may comply in a way and to the extent that is appropriate to its size, internal organization and the nature, scope and complexity of its activities, hence may meet the requirements of the Legal framework in a simpler or less burdensome way (the "Proportionality principle").

Subsequently, in line with the Legal framework and notably CSSF Circular 18/698, ECP decided to conduct a self-assessment in order to determine its eligibility as to the application of the proportionality principle (see Appendix I).

Consequently, and in line with Legal framework, ECP chooses to apply the proportionality principle at institutional level and - as a general rule - decides to manage the following requirements in a proportionate manner:

- Payout of part of the variable remuneration in instruments;
- Retention policy;
- Deferral of part of the variable remuneration;
- Ex post incorporation of risk (including malus / clawback provision); and
- Remuneration committee

Identified Staff

The following ECP categories of staff are considered as Identified Staff, after taking into account the clear distinction between operating and control functions, the skills and independence requirements of members of the management body and the role performed by internal committees.

Board Members

The Board of Directors is composed of 6 Directors (1 Independent Director). Except for the Independent Director/s (paid in line with the written agreement between themselves and ECP), Board Members do not receive variable remuneration paid by ECP for their function as Board Members.

Senior and executive management

- **Conducting Officers (4)**
- **One Employee, who is also Board Member**
- **Control functions:**

ECP (as of January 15th 2024) employs 35 individuals, 11 of whom would fall under the definition of Identified Staff for the scope of the Policy.

All processes and procedures must meet the requirements of current employment legislation, Governance and diversity, equality & inclusion requirements.

All processes and procedures will be equitable, fair and auditable. Employees will be treated with courtesy and respect throughout all processes.

All employees involved in the processes and procedures covered by this policy must consider whether their family and other personal relationships create any actual or potential conflicts. For further information please refer to the Conflicts of Interest Policy.

Internal audit is excluded since this function is currently outsourced.

Moreover, given the fact that Sales staff are not able to take decisions on their own to approve new business and cross-selling opportunities, ECP considers that its Sales' activities are limited by upper hierarchy level and do not have an impact on the risk profile of the management company according to UCITS V Law and AIFM Law.

Proportionality Principle

The UCITS V Directive and the ESMA Guidelines envisage that the provisions should operate in such a way as to enable a management company to take a proportionate approach to compliance with a remuneration principle.

In view of the size of the assets underpinning the clients to whom it provides services, as well as the nature of the investment policies and strategies, the complexity and size of its organization, ECP has decided to apply the proportionality principle in light of its own characteristics as Company.

Basic Remuneration Principles

The Policy is consistent with and promotes sound and effective risk management and does prevent risk-taking including sustainability risks which is inconsistent with the risk profiles, management regulations or instruments of incorporation of the funds managed by ECP. The Policy is in line with the business strategy, objectives, values and interests of ECP.

The remuneration principles of the present policy apply to any benefit of any type paid by ECP to any amount paid directly by the UCITS itself, including performance fees, and to any transfer of units or shares of the UCITS, made for the benefit of Identified Staff.

Staff members engaged in control functions are compensated in accordance with the achievement of the objectives linked to their functions, independently of the performance of the business areas they control.

Performance and achievement of objectives are assessed by formal annual evaluation, the results of which will contribute to the determination of the remuneration and the level of any discretionary performance bonus. Bonuses are determined by ECP without any tax consideration, therefore, to be understood under this policy to refer to a gross amount.

The employees, at all levels, will be assessed on criteria based on qualitative and quantitative objectives, the compliance with internal rules and procedures, systems and controls of ECP, as well as compliance with the standards governing the relationship with clients and investors.

Fixed and variable components of total remuneration, as described in more detail in the following sections, are appropriately balanced and the fixed component represents 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.

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.

Fixed Remuneration

Remuneration paid to the Staff including Identified Staff shall be in the form of an annual salary and related benefits. The fixed remuneration will take into consideration the diplomas, the background, the level of Expertise and the salary benchmark for each individual.

The Fixed Remuneration is annually revised.

Variable Remuneration/ Deferral/ Clawback / Long Term Performance

The variable remuneration may be discretionary or based on a pre-agreed-upon remuneration scheme.

ECP maintains a prudent balance between sound financial situation and award, payout or vesting of variable remuneration. ECP ensures that its financial situation will not be adversely affected by:

the overall pool of variable remuneration that will be awarded for that year; and

the amount of variable remuneration that will be paid or vested in that year.

The weighing of the variable wage components vis-à-vis the fixed components rises in line with the strategic importance of the position to which the wage relates.

If the variable part is discretionary, it is then capped to a 5-month salary.

The 5-month salary cap is not considered to be a "substantial bonus".

A bonus amounting to more than 5-month salary is understood to be a "substantial bonus".

Any bonus payment which overshoots the hurdle of 5-month salary cap, should be deferred in time.

- 70% of the "**substantial bonus**" can be paid directly once the bonus is formally communicated to the recipient of the bonus.
- 30% of the total of the "substantial bonus" will be only paid between one and a half year and two years from the date in which the bonus was formally communicated to the recipient of the bonus.
- These 30% will be paid in 2 portions: One portion of 35% of the total bonus will be paid after one and a half year, elapsing the formal communication of the bonus.

- The remaining 5 % of the total bonus portion will be paid as a final remuneration only after two years, elapsing the formal announcement of the bonus.

The non-discretionary variable part is correlated with the performance and flows of assets of UCITS and/or AIF structures (the Funds) managed by ECP.

In the latter case, the total amount of remuneration is based on a combination of the assessment of the performance of the employee and of the Fund concerned, and of the overall results of ECP. The assessment of the performance-based component of the remuneration shall be based on a longer-term performance and shall consider the outstanding risks associated with the performance.

The variable portion is deferred over time; a claw-back scheme is also in place.

Extraordinary Performance-Fee-Linked Bonus for Portfolio Managers

Purpose and Scope Extraordinary Performance-Fee-Linked Bonus (EPF Bonuses) for Portfolio Managers

- This clause defines the conditions under which ECP may award an **extraordinary variable remuneration** to Portfolio Managers and other **Identified Staff** directly involved in portfolio management activities, in connection with **exceptional performance fees** crystallised and received by the funds or strategies under management.
- It **supplements** (and does not replace) the Policy's general rules on fixed and variable remuneration, proportionality, deferral, malus/clawback, and sustainability risk alignment.

EPF Bonuses are exceptional in nature. They do not form part of ECP's regular variable remuneration and shall not create any expectation or entitlement for future cycles.

Even where EPF Bonuses have been awarded in consecutive years, each award remains stand-alone, discretionary, and contingent on the conditions of this Policy.

Triggering Conditions for Extraordinary Performance-Fee-Linked Bonus for Portfolio Managers

An **Extraordinary Performance-Fee-Linked Bonus ("EPF Bonus")** may be considered **only** when **all** of the following conditions are met:

a) Performance fees for the relevant fund or strategy have **crystallised** in accordance with the fund documentation and the applicable **ESMA Guidelines on Performance Fees** and have been **received by ECP** (net of any reversals or adjustments).
b) The performance outcome is assessed over a **time horizon consistent** with the investment strategy and the typical investor holding period; one-year assessments remain the default unless the Board determines a longer horizon is justified.
c) Payment of the EPF Bonus is **sustainable** in light of ECP's financial position, capital and liquidity requirements.

Interaction of Extraordinary Performance-Fee-Linked Bonus for Portfolio Managers with the Five-Month Cap

The existing discretionary variable remuneration cap of **five (5) months of salary** does **not** apply to EPF Bonuses.
Where the EPF Bonus would exceed five months of salary, the **enhanced risk-alignment measures** determined below apply automatically.

Pool Construction and Governance Extraordinary Performance-Fee-Linked Bonus for Portfolio Managers

Ex-ante determination. Each year or award cycle, the Board of Directors shall determine **ex-ante** the potential pool available for EPF Bonuses. The pool may only be funded from **net performance fees actually received** by ECP for the relevant period.

Pool cap. The EPF Bonus pool shall be **capped at no more than seventy percent (70 %)** of the **net performance fees actually received by ECP** for the relevant strategy(ies) during the period.

- The **remaining portion (minimum 30 %)** of such performance fees shall be retained by ECP to cover operating costs, capital requirements and reserves.
- The precise percentage to be applied in each cycle shall be determined **by the Board**, taking into account ECP's capital position, liquidity, regulatory obligations, and the principles of sound and effective risk management.
- The 70 % limit shall **not create any entitlement** to variable remuneration and may be reduced or suspended where prudentially necessary.

Allocation methodology applicable to Extraordinary Performance-Fee-Linked Bonus for Portfolio Managers

Individual awards from the pool shall be based on a **multi-factor assessment** including quantitative performance, qualitative conduct, compliance with risk and ESG policies, teamwork, and client outcomes. Awards shall **not be mechanically linked** to AUM or gross P&L.

Approvals and oversight applicable to Extraordinary Performance-Fee-Linked Bonus for Portfolio Managers

The Conducting Officers propose EPF Bonus allocations; **Compliance and Risk Management** review them for policy alignment; final approval requires the **Board of Directors** (minimum two members). Internal Audit may review the process annually.

Eligibility and Exclusions for Extraordinary Performance-Fee-Linked Bonus for Portfolio Managers

Eligible staff.

Portfolio Managers and other Identified Staff whose professional activities materially contribute to the generation of performance fees may be considered.

Exclusions.

Guaranteed bonuses are **prohibited**. Employees may **not** enter into personal hedging or insurance arrangements that undermine risk alignment.

Conduct conditions.

Material breaches of policy, compliance failings, risk management weaknesses, or client-detrimental outcomes may **reduce or cancel** any EPF Bonus.

Enhanced Risk-Alignment (EPF Bonus > Five Months of Salary)

EPF Bonuses exceeding five months of salary are subject to enhanced measures consistent with **UCITS V / AIFMD remuneration principles** and **CSSF expectations**:

- **Deferral:**

At least **70%** of the total award is deferred and vests pro-rata over three (**3)** years from communication of the award.

Risk-Based Vesting (Malus):

Each vesting tranche is contingent on the absence of:

- ✓ material corrections or reversals of related performance fees (including HWM/benchmark miscalculations);
- ✓ material drawdowns or risk-limit breaches inconsistent with fund rules; (c) serious compliance or risk management failings; or
- ✓ client-detrimental outcomes confirmed through complaints, audit or regulatory findings.

Clawback:

Paid tranches may be clawed back for up to **5** years in cases of misconduct, material breach of law or internal policy, risk management failure, material performance downturn linked to the original award period, or correction of performance-fee errors.

Ex-Ante Gates and Pool Cap:

EPF Bonus pools are funded solely from **net crystallized performance fees actually received** and remain **capped at 70 %** of such fees; the Board may reduce or suspend pools where prudentially necessary considering capital, liquidity and sustainability risks.

No Hedging:

Staff must not enter personal hedging or insurance arrangements that undermine these risk-alignment effects.
The Board documents its proportionality assessment and the application of these compensating measures for each cycle; Compliance and Risk pre-clear allocations prior to Board approval.

- **No guarantees:**

EPF Bonuses are discretionary and non-guaranteed.

Performance-Fee Alignment Safeguards applicable to Extraordinary Performance-Fee-Linked Bonus for Portfolio Managers

a) EPF Bonuses shall **not incentivise** risk-taking inconsistent with a fund's risk profile, rules or prospectus.
b) Awards shall only be considered **after performance-fee crystallisation** consistent with ESMA guidelines (reference periods, high-water marks, crystallisation frequency).
c) Any **subsequent fee adjustment** (including corrections or reversals) shall proportionally reduce unvested deferrals; previously paid amounts may be **clawed back** where necessary.

The Board may, at its sole discretion and subject to prior Compliance and Risk review, determine **a** pro-rata vesting **of deferred awards solely in narrowly defined** good-leaver circumstances **(death, permanent disability, or involuntary redundancy not linked to performance or misconduct**).

No Interest or Dividend Equivalents on Deferrals applicable to Extraordinary Performance-Fee-Linked Bonus for Portfolio Managers

Deferred EPF Bonus amounts shall not accrue interest, indexation, or dividend equivalents during the deferral or retention period. This ensures that deferred cash remains fully exposed to ex-post risk adjustment and does not provide a guaranteed return.

Sustainability Risk and SFDR Integration Extraordinary Performance-Fee-Linked Bonus for Portfolio Managers

The EPF Bonus framework integrates **ECP's ESG Policy** and **SFDR Article 5** requirements. Non-compliance with ESG or material adverse sustainability outcomes may **reduce or cancel** awards (including deferred portions).

ECP discloses on its website **how the remuneration policy, including EPF Bonuses, aligns with the integration of sustainability risks.**

Article 5 SFDR requires ***all UCITS and AIF managers*** *(and any MiFID portfolio managers) to explain* ***how their pay policies encourage the integration of sustainability risks*** *— in other words, that bonuses do* ***not*** *reward behavior that ignores or worsens environmental, social or governance (ESG) risks.*

Documentation, Review and Disclosure applicable to Extraordinary Performance-Fee-Linked Bonus for Portfolio Managers

All EPF Bonus pools, allocations, risk adjustments, and malus/clawback decisions shall be **formally documented**.

Compliance and Risk Management review the pool before Board approval; **Internal Audit** may test effectiveness annually.

Public disclosures in **UCITS/AIF annual reports** and on the **ECP website** shall reflect this framework, consistent with UCITS V/AIFMD and SFDR requirements.

No Circumvention applicable to Extraordinary Performance-Fee-Linked Bonus for Portfolio Managers

- EPF Bonuses shall **not be paid through vehicles, structures or methods** that could circumvent UCITS V/AIFMD remuneration requirements, CSSF expectations, or this Policy.
- Notwithstanding the above, the Board of Directors may, in the exercise of its prudential judgment, determine that no EPF Bonus pool shall be established or that the pool percentage shall be reduced, having regard to ECP's capital and liquidity position, overall financial soundness and sustainability-risk considerations.

<u>Discretionary Bonus</u>

All Staff, including Identified Staff, may be eligible to receive variable remuneration in the form of a discretionary bonus (the "Discretionary Bonus"), under the terms of their employment contract.

Guaranteed variable remuneration is exceptional and awarded only in the context of hiring new staff and only for the first year. Please see also under Welcome Bonus.

The Discretionary Bonus is awarded on the basis of the performance of all staff in respect of performance targets and goals established during the annual performance evaluation process.

Each individual will be evaluated on the performance realised and objectives achieved during the end of year review by the Line Manager.

The Discretionary Bonus is paid only if it is sustainable according to the financial situation of ECP as a whole, and is justified according to the performance of ECP and the individual concerned.

The Discretionary Bonus is deferred and may be reduced in the event that ECP is loss-making at time of the Discretionary Bonus (malus).

Any Discretionary Bonus awards which have been deferred will be forfeited by the recipient should the employee concerned resign prior to the payment date of the Discretionary Bonus awarded.

In order to ensure the effectiveness of risk alignment, staff members should not buy an insurance contract which compensates them in the event of a downward adjustment in remuneration.

As a general rule, however, this would not prohibit insurance designed to cover personal payments such as healthcare and mortgage instalments (provided that the mortgage coverage concerns health-related circumstances that would render the staff member unable to work in an equivalent position), although each case should be judged on its merits.

The requirement not to use personal hedging strategies or insurance to undermine the risk alignment effects embedded in their remuneration arrangements should apply to deferred and retained variable remuneration. ECP should maintain effective arrangements to ensure that staff members comply with this requirement.

Variable remuneration is not paid through vehicles or methods that facilitate the avoidance of the requirements laid down within the UCITS V Law and the AIFM Law.

Where applicable and in relation to the key personnel fully involved in the fund management & discretionary Investment management activity, the assessment of performances is done in a multi-year framework that is appropriate to the holding period recommended to the investors of the UCITS/AIFs / the discretionary portfolio managed by ECP, its risks, and that the actual payment of performance-based components of remuneration is spread over the same period.

As of the date of this procedure and for the time being, the assessment of the performance aiming at establishing the amount of the variable remuneration is defined on an annual basis. Due to the nature, complexity and target investment strategies of the funds under management, ECP judges that an annual assessment better fits the review of the performance, and it will deliberate on annual basis if the time horizon for such an assessment needs to be modified.

Discretionary bonuses, welcome bonuses, buy-out bonuses / ad hoc awards will have to consent on the granting of such bonuses and/or awards before bonuses and or awards can be granted. As a sign of formal consent at least two members of the Board of the Company need to formally sign off on the communication of bonuses and /or awards, welcome bonuses / buy out bonuses granted to respective individuals.

Welcome and buy-out bonuses / ad hoc awards

Welcome bonuses, the purpose of which is to attract talent to the Company, is the only form of guaranteed variable remuneration that may be granted to new staff to be hired. They can be awarded either in cash or in instruments.

Buy-out bonuses, the purpose of which is to buy out bonuses forfeited by to staff to be hired due to the move from the former employer to the Company, may also be awarded, either in cash or in instruments.

In addition, selected individuals may receive ad-hoc awards in recognition of exceptional commercial outcomes generated for the Company. These ad-hoc awards can make out a one-off payment of up to three times the monthly salary paid by ECP to the respective individual.

Ex post incorporation of risk

ECP reserves the rights to reassess or withhold the amount of variable remuneration allocated ("malus") to its Identified Staff who cannot benefit from the individual proportionality, in the following conditions:

- Evidence of misbehaviour or serious error by the staff member;
- Whether the UCITS/AIFs and/or the management company and/or the business unit subsequently suffers a significant downturn in its financial performance;
- Whether the UCITS/AIFs and/or the management company and/or the business unit in which the staff member works suffers from a significant failure of risk management.

ECP also reserves the rights to demand full or partial repayment from the individual ("clawback") to its Identified Staff who cannot benefit from the individual proportionality, in the following conditions:

- Fraudulent conduct of staff member;
- Misleading information by a staff member;
- Breach of AIFMD/ UCITS V Directive or ESMA Guidelines.

Reporting

The Conducting officer in charge of HR will formally report to the Board of ECP in respect of the adherence to the Policy.

Roles of Control Functions

ECP should ensure that control functions have an active role in the design, ongoing oversight and review of the remuneration policies for other business areas.

Working closely with the Board of Directors and management body, the control functions should assist in determining the overall remuneration strategy applicable to the management company, having regard to the promotion of effective risk management.

The Compliance Officer of ECP analyses how the remuneration structure affects the ECP's Compliance with legislations regulations and internal policies.

The internal Audit function carries out, at least annually, an independent audit of the design implementation and effect of the Policy.

Delegated Investment Management Functions

ECP, having delegated investment management functions, will ensure that Delegates are subject to Regulatory requirements that are equally as effective as those applicable to ECP (e.g. CRD IV, AIFMD or UCITS V and SFDR); or

Appropriate contractual arrangements are in place with the Delegates to ensure that there is no circumvention of the remuneration rules applicable to ECP.

Rules and regulations applicable to EPF Bonus Disclosure and Delegation Framework

Where an EPF Bonus is awarded and relates to performance fees crystallised in a fund or compartment for which ECP acts as management company or AIFM, ECP will include a note in the relevant UCITS or AIF annual report disclosing that an EPF Bonus was paid in connection with such performance fees, consistent with UCITS V / AIFMD disclosure expectations.

- Where the performance fee relates to a fund for which ECP acts solely as external portfolio manager under delegation from another management company or AIFM, the following applies:
  a) EPF Bonuses are paid entirely from ECP's own resources and have no impact on fund assets.
  b) ECP will inform the respective management company or AIFM of such EPF Bonus payments only where
     (i) the delegation agreement expressly requires this notification, or

(ii) the management company requests the information for its regulatory remuneration disclosures.

c) In all other cases, ECP is not required to notify the third-party management company or AIFM, as such internal remuneration decisions are fully funded and controlled by ECP and fall outside the scope of fund-level reporting.

ECP will document this approach as part of its annual proportionality assessment to demonstrate that it remains consistent with the proportionality principle for small and non-complex firms and with CSSF expectations under UCITS V / AIFMD and ESMA guidelines.

Internal Disclosure

The remuneration policy is accessible to all staff members of ECP upon request.

ECP ensures that the information regarding the remuneration policy disclosed internally reveals at least the details which are disclosed externally.

The appraisal process should be properly documented and should be transparent to the member of staff concerned.

External Disclosures

ECP's remuneration policy, including the Extraordinary Performance-Fee-Linked Bonus framework, is consistent with the integration of sustainability risks in accordance with Article 5 SFDR. Variable remuneration may be adjusted, deferred, reduced or cancelled where ESG-policy breaches or material adverse sustainability outcomes are identified.

Extract of the policy is made available on the website of ECP.

Accounting provisions established to cover the potential cost of any Discretionary Bonus which may be awarded will be disclosed in the notes to the audited financial statements of ECP, in line with applicable Luxembourg accounting practices and laws.

Appropriate and regulatory required disclosures are included not only in the respective Annual reports of UCITS/AIFs, but also in the PRIIPs-KIIDs and prospectus of each UCITS funds.

As required by UCITS V, the following information concerning the Policy are published in the UCITSs' financial statements or in a separate statement:

The total amount of remuneration for the financial year, broken down into fixed and variable remuneration, paid by ECP to its employees working on Management Company tasks with the exception of employees working on discretionary mandate tasks, and the number of recipients, as well as, where applicable, any amount paid directly by the UCITS itself, including any performance fees;

- The aggregate amount of remuneration, broken down by categories of employees or other staff members referred to in Articles 111bis par. (3) of the Law of 17 December 2010 (as amended) and Article 12 of the Law of 12 July 2013;
- A description of the criteria used for performance measurement and risk adjustment;
- A description of the way in which the remuneration and benefits have been calculated;
- The results of reviews of variable remuneration that has been paid, including any irregularities that may have occurred;
- Any significant amendment to the Policy.

As required by the AIFMD, the following information concerning the Policy are published in the AIFs' financial statements or in a separate statement:

- The total amount of remuneration for the financial year, broken down into fixed remuneration and variable remuneration, paid by ECP to its employees working on Management Company tasks with the exception of employees working on discretionary mandate tasks, and the number of beneficiaries, and any carried interest paid by the relevant AIF;
- The aggregate amount of remuneration, broken down between senior management and ECP's employees whose activities have a material impact on the risk profile of the relevant AIF.
- The prospectuses and annual reports of the UCITSs and AIFs must include a list of documents made available to the public and the way in which they may be obtained.

Review and update

The Policy is subject regular review (targeted annually) by the Compliance Officer and the update is performed by HR department of ECP and is presented for approval by the Board of ECP.

The periodic review of the implementation of the remuneration Policy may be, partially or totally, externally commissioned, where appropriate.

The Board of Directors remains responsible for the review of the remuneration Policy and for ensuring that the results of the review are followed up. Moreover, the relevant control functions should be closely involved.

Conflicts of Interest

The policy has been designed and implemented in a way to avoid any potential conflict of interest-should nevertheless any potential arise, the implemented Conflicts of Interest Policy of ECP should apply and such potential conflict should be reported to Compliance in order to be logged and properly addressed and mitigated as foreseen in the policy.

SFDR Requirements

As per article 5 of SFDR, Financial Market Participant including UCITS Management Companies and AIFMs, are required to include in their remuneration policies information on how those policies are consistent with the integration of sustainability risks and shall publish that information on their websites.

The respect of ECP ESG policy is taken into account when considering variable remuneration of employees and non-respect of ESG policy could have a negative impact on their variable remuneration.

As outlined previously, ECP's employees who are identified as risk-takers under UCITS V and AIFMD are not remunerated (fixed and variable remuneration) based on the performance of the funds under management. By exception, Portfolio Managers and other Identified Staff may be considered for an Extraordinary Performance-Fee-Linked Bonus (EPF Bonus) in accordance with the section 'Extraordinary Performance-Fee-Linked Bonus for Portfolio Managers,' which is strictly conditioned on crystallised and received performance fees and subject to enhanced risk alignment.

Based on the limited impact of variable remuneration of the employees identified as risk-takers on the risk profile of the Funds and the nature of the business of the ECP, ECP assessment is that there is no risk of misalignment with the sustainability risks associates with the investment decisions making process of ECP in respect of the Funds.

As mentioned above, ECP delegates portfolio management activity to some of its Funds to a qualified portfolio manager.

Where the delegation takes place, ECP is ensuring that the portfolio manager adopts remuneration policies and procedures which are consistent with the integration of sustainability risks, when sustainability risks are integrated into the investment decision making process.

ECP will perform periodic oversight and seeks confirmations from each delegate portfolio manager that these policies are being complied with and the remuneration structures are not encouraging excessive risk-taking with respect to sustainability.

Where a Financial Advisor is appointed, ECP is ensuring that the Financial Advisor adopts remuneration policies and procedures which are consistent with the integration of the sustainability risks.

A hard copy of this Remuneration Policy is available at no cost upon request:

- By e-mail to info@ecp.lu

By mail to the following address:

European Capital Partners (Luxembourg) S.A.
153-155 b, Rue du Kiem
L – 8030, Strassen, Luxembourg

APPENDIX I PROPORTIONALITY PRINCIPLE SELF-ASSESSMENT CONTEXT AND OBJECTIVES In line with CSSF circular 18/698 section V,

European Capital Partners (Luxembourg) S.A. ("ECP" or "the Company") decides to apply remuneration principles and practices in a manner and to the extent that are appropriate to its size, internal organisation and to the nature, scope, and complexity of its activities.

The proportionality principle aims to match remuneration policies and practices consistently with the Company and its risk profile, risk appetite and strategy, so that the objectives of the obligations are more efficiently achieved.

BACKGROUND ECP has decided to conduct a self-assessment in order to determine its eligibility to the application of the proportionality principle regarding the management of the following requirements:

• pay-out of part of the variable remuneration in instruments;
• retention policy;
• deferral of part of the variable remuneration;
• ex post incorporation of risk; and
• remuneration committee set up.

CSSF Circular 18/698 specifies that the application of the proportionality principle is never automatic.

In order to conduct the self-assessment in line with CSSF Circular 18/698, the Company has decided to take into account, the following elements:

- ✓ the number of UCIs/compartments it managed, whether they are regulated, including the UCIs managed on a cross-border basis;
- ✓ the total assets under management;
- ✓ the risk level of the types of assets or strategies managed;
- ✓ the closed-end or open-end nature of the UCIs;
- ✓ the number of transactions at the level of UCIs; and

ECP has not extensively delegated the portfolio management of its manged Funds to delegated investment managers. ECP sets the strategy and oversees the portfolio on a daily basis.

The discretionary managed accounts and accounts managed for insurance companies are overseen via our uniform Wealth Management System called Allocare.

The number of transactions at the UCIs level corresponds to circa 1800 per month in 2025.

In line with CSSF Circular 18/698, when assessing what is proportionate, management companies should focus on the combination of different criteria.

In fact, the criteria listed under the ESMA Guidelines does not constitute an exhaustive list as other criteria might apply.

In this respect, management companies may consider other factors as defined under 15 ESMA Guidelines. ECP has considered the following criteria:

a) Size According to the ESMA Guidelines, the SIZE criterion is based on the following criteria:

- the value of the management company capital and the value of assets under management of the UCITS/funds that the management company manages;
- the liabilities or the risk exposure of the management company and the UCITS/funds that it manages; and
- **the number of staff, branches, or subsidies of a management company. ECP has 25 employees working as core Management Company Staff in Luxembourg and additionally 17 Discretionary Investment Managers working in Belgium.**

ECP may be considered "medium" in terms of the above-mentioned factors.

b) Nature, scope and complexity of activity According to ESMA Guidelines, THE NATURE, SCOPE AND COMPLEXITY OF ACTIVITY criterion is based on:

• the type of authorized activity;
• the type of investment policies and strategies of its managed fund;
• the national or cross-border nature of the business activities; and
• the additional management of AIFs.

All funds contain limitations regarding asset allocation, maximum deviations, and currency hedging, as well as regulatory limits.

Appropriate parameters are set up in the portfolio management system called Allocare and monitored by the Risk Management function.

ECP may be considered "**small**" in terms of the above-mentioned factors.

c) Internal Organisation Internal organization can relate to the following elements:

• the legal structure of the Management Company or the funds it manages;
• the complexity of the internal governance structure; and
• any listings on regulated markets of the Management Company or the funds.

In ECP`s case,

(i) its internal governance structure is not complex,
(ii) the ownership structure is clear and concise. ECP has three main holders.
(iii) the legal structure of the funds is closely monitored to avoid risk mitigation.

ECP may be considered "small" in terms of the above-mentioned factors.

RESULTS OF THE PROPORTIONALITY SELF ASSESSMENT

The Company has considered the factors outlined above and to date, concluded that it is proportionate for ECP to disapply the payout process rules and the set-up of a remuneration committee.

European Capital Partners (Luxembourg) S.A.
The « Company »

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Appendix I – Proportionality Self-Assessment (Remuneration Policy) update 2025

As at: 31. Oct 2025 in relation to data as of 30 September 2025
Prepared by: Compliance / HR
For: Board noting and approval

1) Purpose and scope

This Appendix documents ECP's annual proportionality assessment under UCITS V and AIFMD remuneration frameworks.

It evaluates **size**, **internal organisation**, and the **nature, scope and complexity** of activities to determine whether ECP qualifies as **small / non-complex** and sets out

(i) the **disapplications** ECP may rely on,
(ii) **governance and controls** for identified staff, and
(iii) **review triggers** requiring interim reassessment.

2) Factual snapshot (reference date 30 Sep 2025)

- **Headcount (ex-BoD):** ~**42** employees and officers.
- **AUM (all activities combined):** approx. **€2.9bn** (incl. Funds – ManCo/AIFM mandates, Third-Party PM, and Wealth Management).
- **Product mix:**

  Predominantly **plain-vanilla UCITS** (equity, bond, multi-asset, short-duration fixed income).

  AIF/RAIF exposure is **moderate and diversified** (PE, direct lending, multi-strategy; real-estate exposure present but not dominant).

- **Leverage/complexity:** No significant structural leverage; strategies within typical Luxembourg parameters and monitored daily.
- **Organisation & footprint: One branch (Belgium)**, non-listed, simple shareholding, clear governance and control functions; unified PMS and daily risk oversight.
- **Delegation:** Portfolio-management delegation framework in place; **no substantial** to the delegation set-up during 1 Nov 2024 – 31 Oct 2025. No proactive notification to third-party management companies or AIFMs is required unless contractually stipulated or specifically requested.

3) Method & scoring

ECP applies a 1–3 scale (1 = small/low; 3 = large/high). The composite outcome guides proportionality.

Dimension	Key indicators (ECP)	Score
Size	~€2.9bn total AUM; ~41 staff	**1–2**
Internal organisation	Simple structure; one branch; not listed; control functions commensurate with activities	**1**
Nature / scope / complexity	Plain-vanilla UCITS; moderate/diversified AIF/RAIF; low leverage	**1**
Cross-border footprint	Limited distribution; Lux-centric	**1**

Category	AUM (EUR)

Composite outcome: Small / non-complex.

4) Conclusion on proportionality (and permitted disapplications)

Conclusion : ECP qualifies as **small and non-complex** for remuneration proportionality purposes. Accordingly, ECP **continues to disapply**:

- pay-out in instruments;
- retention;
- deferral of variable remuneration (beyond internal thresholds already applied);
- a separate **Remuneration Committee** (Board oversight suffices);
- full-scope ex-post risk adjustment (while maintaining **simplified malus/clawback** and robust governance for identified staff).

ECP **maintains** all qualitative requirements, including identified-staff governance, risk alignment, performance measurement standards, **malus/clawback**, and **SFDR Article 5** disclosure.

Review cycle, governance, and documentation

- **Annual review:** Compliance/HR perform this assessment annually; the Board reviews and approves.
- **Inter-year monitoring:** Conducting Officers monitor trigger events and escalate to the Board if an interim reassessment is required.
- **Identified staff:** Maintained and reviewed annually; changes approved by the Board.

Triggers for interim reassessment (in addition to the annual review)

An interim reassessment is triggered if any of the following occur:

- **AUM ≥ €4.5bn** (rolling calculation or structural increase).
- **Headcount > 70**.
- **Material expansion into complex/leveraged alternatives** (e.g., significant use of leverage, complex derivatives, illiquids beyond current profile).
- **Additional branches or listing** (organisational complexity increase).

- **Major reorganisation** of ECP (e.g., changes to governance bodies, legal structure, or creation/closure of branches).
- **Major changes in delegation arrangements**, including the **appointment/termination of portfolio-management delegates** or **material changes** to delegated functions.
- **Regulatory expectation changes** (e.g., CSSF/ESMA guidance or circulars affecting proportionality/remuneration).

Delegation framework – annual attestation & notification principle

- **Annual attestation:** For **1 Nov 2024 – 31 Oct 2025**, **no substantial changes** occurred to ECP's delegation set-up.

Disclosures and investor transparency (how the policy is applied)

- **Firm-level disclosures:** Website/Policy disclosures in line with UCITS V/AIFMD.
- **Fund-level disclosures:**
    - **ECP-managed funds:** include EPF note in the **annual report** where applicable
    - **External PM mandates:** the third-party ManCo/AIFM is responsible; ECP supports disclosures **on request** or **where contractually required**.

  Staff communications: Clear internal communication that EPF is **exceptional** and **non-entitling**.

Decision & Board approval (for 2025 cycle)

Based on the above the Board confirms that **ECP remains small / non-complex** and approves the proportionality approach and associated disapplication for the 2025 performance cycle, including the EPF framework and disclosure approach described above.