

REMUNERATION POLICY

NEW ALPHA
ASSET
MANAGEMENT



LA FRANÇAISE
INVESTING TOGETHER

Table of contents

Preamble	4
1. Definitions	6
2. Governance of remuneration	6
2.1. General provisions	6
2.2. Role of the General Management	6
2.3. Role of the La Française Group Supervisory Board.....	7
2.4. Role of the Management Company's Supervisory Board	7
2.5. Role of the Group Remuneration Committee and the Entities Committee	7
2.5.1. The Group Remuneration Committee.....	7
2.5.2. The Entities Committee	7
2.6. Role of the control and risk monitoring functions.....	8
2.6.1. Composition of the control and risk monitoring functions	8
2.6.2. Role of the control and risk monitoring functions	8
2.6. The role of the Human Resources Department	9
2.7. The role of periodic controls.....	9
3. Principles relating to the determination and payment of remuneration.....	9
3.1. Principles applicable to all staff working for the Management Company	9
3.1.1. Scope of the concept of remuneration	9
3.1.2. Principles applicable to the fixed portion of remuneration	10
3.1.3. Principles applicable to the variable portion of remuneration	10
3.1.4 Annual compensation review procedures	11
3.2. Principles applicable to Identified Staff	12
3.2.1. Applicable measure for the variable portion of remuneration for Identified Staff	12
3.2.2. Penalty and restitution mechanisms	13
4. Severance pay / replacement remuneration / guaranteed variable remuneration.....	14
5. Cases with service providers.....	15
6. Amendments to the Policy.....	15
7. Non-circumvention of the Policy	15
8. Publication of the Policy	15

Updated December 2023

7.1 Internal publication 15

7.2 External publication..... 15

ANNEX I: List of texts and documents forming the basis for the Remuneration Policy..... 16

ANNEX II: List of Identified Staff..... 17

ANNEX III: Quantitative/qualitative employee assessment criteria 20

ANNEX IV: Behaviour that may give rise to a penalty or restitution..... 22

Preamble

La Française Group (hereinafter the "**Group**"), as reference shareholder, brings together management companies specialising in specific business lines - primarily securities and real estate - with a strong cross-functional structure geared towards its clients.

This remuneration policy (hereinafter referred to as the "**Policy**") aims to provide a framework for the application of the principles relating to the remuneration of all members of staff of NEW ALPHA ASSET MANAGEMENT "NAAM" by the Autorité des Marchés Financiers (hereinafter referred to as the "**AMF**"), (hereinafter referred to together as the "**Management Company**" or the "**Entity**").

The Group ensures compliance with a remuneration policy that is a source of value and motivation for its teams, and it makes sure that said remuneration is allocated fairly for equivalent positions and responsibilities. The equal opportunities principle holds sway both during recruitment and for the full duration of the employment contract. More specifically, this relates to equal pay between men and women.

Remuneration practices have therefore been gradually converged within the Group, based on market practices and against the backdrop of a regulatory framework for remuneration policies. The proportionality principle has also been taken into account where possible.

In accordance with the Law 2016-1691 of 9/12/2016 on transparency, the fight against corruption and the modernisation of economic life, no one may be subject to discriminatory compensation measures for reporting wrongdoing.

In accordance with the provisions of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (the "**AIFM Directive**") and Directive 2014/91/EU on transferable securities fund managers (the "**UCITS V Directive**"), and European Regulation 2019/2088 on the publication of information on sustainability, the Management Companies undertake to establish, implement and maintain remuneration policies, procedures and practices enabling the promotion of sound and efficient risk management, which constitutes one of the pillars of their strategy.

In accordance with Article 27 to Delegated Regulation 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms ("**MiFID 2**") and the definition of certain terms for the purposes of said directive, the Management Companies shall develop and implement remuneration policies and practices through appropriate internal procedures which take into account the interests of all the firm's customers, in order to ensure that customers are treated fairly and that their interests are not adversely affected by the remuneration practices adopted by the firm in the short, medium or long term. In addition, the Policy is drawn up in such a way as not to create any conflict of interest or incentive likely to lead the persons concerned to favour their own interests or the interests of the company to the potential detriment of any customer.

With this in mind, the Policy has been drawn up on the basis of the documents in Annex I.

1. Definitions

"Supervisory Board": means the Group's supervisory board.

"General Management": means the general management of the Group.

"Executive Committee": means the Group's executive committee.

"Group Remuneration Committee": means the Group's remuneration committee.

"Entities Committee": means the remuneration committee for all La Française Group staff, entity by entity.

"Identified Staff": designates the following persons, where their professional activities have a substantial impact on the risk profiles of the Management Companies or the AIFs or UCITS they manage:

- Managers;
- Members of the Executive Board;
- Risk takers;
- Persons exercising a control function;
- Persons placed under the authority of the Management Companies who, in view of their total remuneration, are in the same remuneration bracket as members of the General Management and risk-takers.

. You will find an exhaustive list of these staff members in Annex II of the Policy.

"Internal Regulations": means the internal regulations of the Group Remuneration Committee and the Entities Committee which, in particular, detail their composition and operating procedures.

2. Governance of remuneration

2.1. General provisions

The Policy takes into account the general organisational and operational requirements of the Management Company, along with their type, scope and the complexity of their businesses.

The Policy actively contributes to the attraction of new talent, to the retention and motivation of employees within the Management Company, as well as to their long-term performance.

The Policy promotes a sound and efficient risk management and does not encourage any risk taking that would be incompatible with the risk profiles, regulations and instruments of incorporation of the AIFs or UCITS managed by the Management Company. The integration of sustainability risks into remuneration policy and practices is detailed in Annex V.

2.2. Role of the General Management

The Policy is regularly reviewed by General Management during strategic and/or structural changes as part of the development of the Management Company and at least once a year.

The General Management is also responsible for the implementation of the Policy. At least once a year, the implementation of the Policy is subject to internal, central and independent assessment as carried out by the Remuneration Committee.

2.3. Role of the La Française Group Supervisory Board

The Group's Supervisory Board is responsible for supervising and adopting the implementation of the Policy. During the course of its duties, it is assisted by the Group Remuneration Committee and the Entities Committee, which each year send it a remuneration report. Assistance is also provided by the control and compliance managers and the Human Resources Department.

2.4. Role of the Management Company's Supervisory Board

The Management Company's Supervisory Board ensures that the remuneration policy and its implementation are reviewed and approved at least once a year.

2.5. Role of the Group Remuneration Committee and the Entities Committee

2.5.1. The Group Remuneration Committee

The role of the Group Remuneration Committee is to determine and implement the actions necessary for the La Française Group to comply with regulatory obligations in terms of remuneration. It reports its findings to the General Management and the Supervisory Board.

Its main objective is to oversee the remuneration principles of the La Française Group with regard to general allocations from the various bonus pools. It determines the remuneration of the members of La Française Group Management Board, the heads of La Française Group's business lines, and the heads of the control functions, i.e. the head of the Internal Control and Compliance Department, the Risk and Reporting Department, the Real Estate Risks and Unlisted Department, and the Risk Management and Operational Risks Department.

The Group Remuneration Committee is also responsible for ensuring that the Entities Committee (as detailed below) complies with regulations relating to the various businesses of the Group.

2.5.2. The Entities Committee

The purpose of the Entities Committee is to review the remuneration of all La Française Group staff, entity by entity, in accordance with the allocations set out by the Remuneration Committee. Among other matters, it determines the remuneration of the RCSI.

Its role is to ensure that the terms and conditions for the allocation of variable remuneration comply with the principles set out by the remuneration policies under the regulations relating to the various businesses comprising the entities. In particular, it ensures that the bonus envelope is fully respected.

The composition and operation of the two committees are detailed in two separate internal regulations.

2.6. Role of the control and risk monitoring functions

2.6.1. Composition of the control and risk monitoring functions

The managers in charge of control and risk monitoring functions are currently the following:

- the Risk Director of La Française Group;
- the Director of Real Estate Risks and Unlisted Assets;
- the Risk Control & Reports Director (Securities);
- the Internal Control and Compliance Director of the La Française Group;
- the Internal Control and Compliance Director of the Businesses Group
- Heads of Compliance and Internal Control (RCCI);
- the Director of Risk Management, Operational Risks and Data Protection Officer (DPO);

2.6.2. Role of the control and risk monitoring functions

In accordance with the regulatory provisions applicable to management companies, in particular to managers of AIFs or UCITS, risk control and monitoring functions form part of the process of reviewing variable remuneration within the Management Company and, in particular, that of Identified Staff.

More specifically, the risk control and monitoring functions contribute to:

- the process of identifying Identified Staff, both in respect of the relevant business lines and, within them, the identification of the individual positions concerned;
- consideration of the methods used to determine the variable remuneration allocations by ensuring that the various risks, including sustainability risk, are taken into account as well as the maintenance of the Management Company's capacity to strengthen its own funds if necessary;
- the assessment of risk management and operational compliance, including sustainability, by the teams/employees concerned, particularly with regard to risk takers. This assessment is made possible thanks to the joint work sessions held between employees in risk control and monitoring functions and other business lines within the Management Company, thereby giving them an overview of activities and the operational conditions; and
- the development of deferred variable remuneration schemes, as well as the determination of any criteria for penalties.

The risk control and monitoring functions forward their proposals to the Remuneration Committee, which ensures that risk control and compliance opinions are taken into account.

2.6. The role of the Human Resources Department

La Française Group Human Resources Department takes part in the development and regular review of the Remuneration Policy and contributes as follows:

- it monitors the competitiveness of the Remuneration Policy on the various labour markets in which the Group is present;
- it guides the process of defining annual individual remuneration and the assessment process;
- it analyses remuneration with regard to the achievement of quantitative and qualitative objectives.

2.7. The role of periodic controls

At least once a year, the implementation of the Remuneration Policy is subject to independent assessment, carried out either by Crédit Mutuel Alliance Fédérale's periodic control department, or by an external third party specialising in the field.

3. Principles relating to the determination and payment of remuneration

Some remuneration principles apply to all staff working for the Management Company (3.1.). However, other principles apply to Identified Staff only (3.2.).

3.1. Principles applicable to all staff working for the Management Company

The Policy is determined in such a way as to avoid any conflicts of interest and to prevent risk taking which is considered excessive or incompatible with the interests of the clients of the Management Company.

There is no direct link between the remuneration of the staff of the Management Company primarily carrying out a particular activity and the remuneration of other persons primarily carrying out another activity, or the income generated by these other persons, when a conflict of interest is likely to arise in connection with such activities.

3.1.1. Scope of the concept of remuneration

For the purposes of the Policy, the remuneration applicable to all the staff of the Management Company is made up of at least one fixed portion that remunerates the employee's capacity to perform his role in a satisfactory manner.

However, the fixed remuneration of some members of staff of the Management Company may be supplemented with a variable portion which is intended to recognise the individual performance of the relevant staff member, their contributions and their behaviour, the performance of the operational unit to which they belong and the overall results of the Management Company.

In this latter case, a suitable balance shall be established between the fixed and variable portions of the employee's total remuneration.

In any event, the fixed portion of remuneration shall represent a sufficiently high proportion of the overall remuneration that a fully flexible policy can be applied to the variable portion, including the possibility

that said variable portion shall not be paid out. Moreover, remuneration of the staff working for the Management Company is intended to be motivational while falling within the market average.

3.1.2. Principles applicable to the fixed portion of remuneration

The fixed portion of an employee's remuneration takes into account their position and the scope of their responsibilities, in compliance with the rules of employment law relating to the equal treatment of employees. It is also intended to reflect the employee's level of experience, the employee's degree of expertise, the employee's commitment and the employee's own knowledge.

The fixed portion of remuneration is made up of the following elements, where required taking into account any applicable collective agreements: a fixed monthly salary paid in cash, any additional fixed salary or bonus to compensate for relocation abroad and, where applicable, any benefit in kind (company vehicles, etc.) which is neither discretionary nor performance-based.

The fixed portion of remuneration is subject to annual review but will not necessarily be changed following such a review. The increase in fixed remuneration, as well as decisions relating to the promotion of employees, must take into account performance in terms of risk and compliance.

3.1.3. Principles applicable to the variable portion of remuneration

Certain employees of the Management Company may be granted a variable portion of remuneration based on its contribution to the performance of the Group.

Please note that staff working in control positions who are to be allocated a variable portion of remuneration will be remunerated according to the achievement of the objectives linked to their roles, regardless of the performance of the Management Company under their supervision.

This is ensured by the Remuneration Committee, in particular when determining the objectives of the employees concerned, in consultation with their manager.

3.1.3.1. Prerequisites to the allocation of the variable portion of remuneration

The allocation of the variable portion of remuneration for the financial year in question is determined based on the qualitative and quantitative criteria listed in Annex III and the payment of deferred amounts is subject to compliance with the condition that an ex post facto risk adjustment measure exists and may be applied, as detailed in 3.2, where applicable.

3.1.3.2. Determination of the amount of the variable portion of remuneration

The variable portion of remuneration that may be awarded to an employee will be revealed at the end of March of the following financial year (N+1) at the earliest, once the accounts for the financial year concerned (N) have been closed.

The payment in cash of the variable portion of remuneration shall be deemed to constitute a salary.

3.1.3.3. General principles

- **The bonus system**

The Management Company has opted for a global variable remuneration package that is a function of the company's GOI.

This envelope is allocated on a discretionary basis to each employee according to the achievement of the set objectives.

The variable portion due to the relevant employee will be determined on the basis of both quantitative and qualitative criteria (Annex III).

The allocation of a guaranteed variable portion of remuneration is exceptional, applies as part of the recruitment of a new employee and is limited to the first year of employment.

The individual bonus may be supplemented by a free share allocation (FSA).

- Free Share Allocation

The annual allocation of free shares is reserved for a specific set of people within the company. The list of beneficiaries and the amount awarded are subject to approval by the Chairman of the Entity Remuneration Committee and the Management Board of the Company.

The gain associated with this form of variable compensation is only realisable after a period (vesting and possibly retention) of between two and four years. It is also conditional on the employee's presence until the end of the vesting period.

- Maximum proportion of the variable portion of remuneration (internal rule)

Individually, the proportion of the variable portion of remuneration for the employees concerned added to the fixed portion may reach a maximum limit set by the Remuneration Committee.

3.1.3.4 Quantitative/qualitative criteria for the performance assessment

The quantitative and qualitative criteria for assessing performance depend on the position occupied by the employee. These criteria are listed in Annex III of this remuneration policy.

3.1.4 Annual compensation review procedures

An outline of the annual compensation review is communicated by General Management to each member of the Executive Committee and to the Business Managers in guidelines, to which is attached the retro-planning of the decision-making process.

The members of the Executive Committee and the Business Managers formalise their remuneration proposals for their teams within the framework of the defined Policy.

These proposals are carefully examined by the General Management and the Human Resources Department, who ensure that the defined principles are respected.

If the General Management deems it necessary, adjustments may be requested. This process is triggered at the beginning of January and should be complete by the end of March, each financial year.

3.2. Principles applicable to Identified Staff

All employees of the Management Company are included in the remuneration process detailed in paragraph 3.1 of the Policy.

Therefore, it is hereby stated that in accordance with the provisions of the AIFM and UCITS V Directives, the Management Company, in their capacity as AIF or UCITS managers, have introduced a specific measure for the variable portion of remuneration for Identified Staff, a list of whom is provided in Annex II of the Policy.

3.2.1. Applicable measure for the variable portion of remuneration for Identified Staff

For members of Identified Staff, the measure applicable to the variable portion of remuneration shall not apply if the total amount of this variable remuneration falls below the threshold of 100 euros set by the Remuneration Committee.

a) Variable portion allocated in the bracket [0; € 100,000]:

Variable remuneration of up to € 100,000 attributable to the past financial year N, will be paid in full in cash and/or in the form of FSAs at the end of March N+1.

Variable remuneration greater than € 100,000 shall be subject to the measures described below.

These conditions are applicable from the 1st euro.

b) Variable portion allocated in the bracket > € 100,000 under financial year N:

for all variable remuneration greater than € 100,000, the first 50% will be paid in cash at the end of March N+1. The remaining 50% (Deferred Portion) will be acquired progressively and in stages over three periods of one year each, as follows:

- **First vesting period beginning on 1 April in year N+1 and ending on 31 March in year N+2:** the gross amount of variable remuneration for financial year N, acquired at the end of this period¹ corresponds to the proceeds of one-third of the Deferred Portion carried over by the indexing factor.
- **Second vesting period beginning on 1 April in year N+2 and ending on 31 March in year N+3:** the gross amount of variable remuneration for financial year N, acquired at the end of this period¹ corresponds to the proceeds of one-third of the Deferred Portion carried over by the indexing factor.
- **Third vesting period beginning on 1 April in year N+3 and ending on 31 March in year N+4:** the gross amount of variable remuneration for financial year N, acquired at the end of this period¹ corresponds to the proceeds of one-third of the Deferred Portion carried over by the indexing factor.

Given that:

¹Subject to (i) the ongoing employment of the relevant Identified Staff by the Company or the Group on this date, and (ii) the non-application of an ex post facto risk-adjustment measure in accordance with the principles set out in section 3.2.2.

- The indexing factor represents the performance of a basket of funds or investment products over the indexing period. This performance will be equal to the equally-weighted average of the performance of the funds chosen, it being considered that the performance of a fund relates to the objective listed in its prospectus or a reference.
- "Basket of Funds or investment products" refers to an AIF and UCITS basket whose composition is decided by the Management Company for each financial year N in question in order to better comply with the requirements of the AIFM and UCITS V Directives.

3.2.2. Penalty and restitution mechanisms

The vesting or payment of the deferred part of the variable remuneration, excluding FSAs, is subject to compliance with conditions based on criteria related to the results of the Management Company and compliance with the risk management and compliance framework of the business unit and, where applicable, individual criteria as well as a condition of ongoing employment within the group. These conditions are set by the Remuneration Committee on an annual basis and are explicitly specified to the employees in question when this remuneration is allocated.

In addition, certain behaviours may give rise to the application of a penalty or restitution mechanism.

- Penalty scheme

A penalty is only applicable to the employees concerned (Identified Staff).

The application of a penalty may arise in response to any behaviour deemed unacceptable by the General Management of the Management Company and/or which may expose:

- (i) the Management Company to unusual and significant risk;
- (ii) one or more of the funds managed (in the case of fund managers) to significant risk not provided for by the risk monitoring policy of the funds concerned, including sustainability risks.

This assessment is implemented on the basis of applicable quantitative/qualitative criteria and is adapted to the functions performed by Identified Staff. These criteria are clearly communicated to Identified Staff. The various behaviours giving rise to a possible penalty are identified and monitored by the control functions, with the assistance of the Human Resources Department (see Annex IV)

- Restitution mechanism

In certain particularly serious circumstances as determined by the Remuneration Committee and in accordance with the applicable legislation and regulations (in particular the provisions of Law No. 2019-486 of 22 May 2019 on the growth and transformation of companies, known as the Pacte Law), a contractual agreement may be concluded between an employee and each management company by which the former agrees to return the ownership of an amount of remuneration to the latter. If this restitution results from risks taken, it is a form of ex post risk adjustment.

Furthermore, this practice is only applicable (i) in cases of fraudulent behaviour and/or intentional breach by the manager of the risk monitoring rules, including sustainability risks of the AIF/UCITS concerned,

(ii) if this is not detected before or at the time of the allocation of the variable portion of remuneration for the financial year in question and (iii) if it has directly caused losses at the level of the AIF/UCITS concerned which exceed the set materiality thresholds. The various behaviours giving rise to the application of a restitution mechanism are identified and monitored by the control functions, with the assistance of the Human Resources Department (see Annex IV).

Finally, in the event that a malus or restitution mechanism is applied to an employee, the Remuneration Committee reserves the right to examine whether it would be appropriate to apply it to a wider group, in particular to people whose responsibilities include the areas in which the events in question crystallised.

3.2.3 Date of dividend payment

The dividend policy is not intended to encourage employees concerned to take risks which are detrimental to the interests of the UCITS and AIFs managed by the company as well as to the interests of the investors therein and thus to facilitate the circumvention of the requirements of these provisions. (Judgement of the Court of Justice in case C-352/20)

4. Severance pay / replacement remuneration / guaranteed variable remuneration

Subject to applicable legal, regulatory and/or contractual provisions, payments related to the early termination of an employment contract are designed not to reward failure.

Discretionary payments (i.e. payments beyond the legal or conventional indemnities due according to the mandatory provisions of employment law), linked to the early termination of an employment contract or mandate, will in no case be contractually fixed in advance (e.g. prohibition of golden parachutes). They are determined at the time of the employee's departure, taking into account the beneficiary's performance, assessed in the light of the collective performance of their business and of the Company as a whole.

In the event of guaranteed variable remuneration or replacement in the context of the recruitment of a new employee, this will be granted on an exceptional basis and will be limited to the first year of employment. The terms and conditions of any replacement remuneration above a certain amount and/or seniority level of the employee should be similar to the remuneration given up by the new employee.

5. Cases with service providers

As part of their activities, Management Companies use service providers who are themselves subject to MiFID 2 (delegated management, distribution, etc.).

In this context, the Management Companies ensure that the remuneration policy of external service providers with whom they may work in connection with the provision of investment services complies with the principles applicable to remuneration policies and practices arising from MiFID 2.

6. Amendments to the Policy

The Remuneration Committee shall re-examine and rule on the various elements of the Policy each year.

It will submit all of its work to the General Management, which will decide on the Policy and its application for the financial year.

7. Non-circumvention of the Policy

Staff members shall undertake not to use personal hedging strategies or assurances relating to remuneration or responsibilities in order to pre-empt the occurrence of alignment over the risk involved in its remuneration agreements.

The Management Company will not pay variable remuneration to relevant employees through instruments or methods that facilitate the circumvention of the requirements of the AIFM and UCITS V Directives. The senior management of each of the Management Company shall ensure that this principle is respected.

8. Publication of the Policy

7.1 Internal publication

The Remuneration Policy is made available to employees on the La Française Group Intranet network. Employees are also informed of the policy and of any relevant modification concerning them by their superiors, during the annual appraisal interviews.

7.2 External publication

The general principles of the Remuneration Policy are freely accessible at the request of any person who legitimately wishes to learn about them.

ANNEX I: List of texts and documents forming the basis for the Remuneration Policy

- Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers;
- Directive 2014/91/EU on securities fund managers;
- Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast) Text with EEA relevance;
- Commission Delegated Regulation 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and definitions of certain terms for the purposes of said directive;
-
- ESMA guidelines on remuneration policies applicable to alternative investment fund managers (ESMA/2013/232) published on 3 July 2013;
- The Monetary and Financial Code and the AMF General Regulations;
- Guidelines relating to remuneration policies applicable to alternative investment fund managers (ESMA/2013/232) published on 3 March 2013 and subsequently amended;
- Guidance on certain aspects of MiFID II remuneration requirements (ESMA35-43-3565)
- AMF Position n°2013-11 relating to remuneration policies applicable to AIF managers dated 14 August 2013;
- Guide to the remuneration of AIF managers published by the AMF on 2 August 2013;
- Guidelines 2016/411 of ESMA of 31 March 2016 entitled “Guidelines relating to remuneration policies applicable under the UCITS V and AIFM directives”;
- Guidelines on good remuneration policies under the Directive on undertakings for collective investment in transferable securities (ESMA/2016/575-FR) published on 14 October 2016; and
- Authorisation requirements of the Management Company.
- Law n°2019-486 of 22 May 2019 relating to the growth and transformation of companies known as the PACTE law
- Regulation (EU) 2019/2088 of 27 November 2019 on the publication of information on sustainability in the financial services sector

ANNEX II: List of Identified Staff

Job title of the employee	Direction/Division to which the employee is attached	Objective of the position occupied by the employee	Description of the employee's decision-making power with regard to the position they occupy	Responsibilities relating to risk taking)	Decision to include within the scope of Identified Staff
CEO/General Management	Manager responsible	<ul style="list-style-type: none"> Supervise the asset management company 	<ul style="list-style-type: none"> Decision-making power related to the performed role of the manager responsible 	The functions performed, the degree of responsibility and the professional activities of the employee are likely to have a significant impact on the risk profile and the marketing of managed AIFs or UCITS.	Yes
Management Officer	Management	<ul style="list-style-type: none"> Supervise fund management Implement management guidelines 	<ul style="list-style-type: none"> Decision-making power in the context of creating new products or modifying products and developing the management's position. Decision-making power in the context of the management of managed AIFs or UCITS. 	The functions performed, the degree of responsibility and the professional activities of the employee are likely to have a significant impact on the risk profile and the marketing of managed AIFs or UCITS.	Yes
Head of Management Division	Management	<ul style="list-style-type: none"> Manage the funds entrusted to them while complying with the management limitations and the performance objectives set by General Management. Participate in the renewal and consistency of the product range 	<ul style="list-style-type: none"> Decision-making power in the context of the management of managed AIFs or UCITS. 	The functions performed, the degree of responsibility and the professional activities of the employee are likely to have a significant impact on the operational functioning of managed AIFs and of the Management Company.	Yes

Job title of the employee	Direction/Division to which the employee is attached	Objective of the position occupied by the employee	Description of the employee's decision-making power with regard to the position they occupy	Responsibilities relating to risk taking)	Decision to include within the scope of Identified Staff
Group Risk Director	Risk Department	<ul style="list-style-type: none"> • Work with the management company in the implementation of its risk management measures 	<ul style="list-style-type: none"> • Power to decide on any arbitrage based on feedback from Risk Managers 	The functions performed, the degree of responsibility and the professional activities of the employee are likely to have a significant impact on the risk profile of managed AIFs or UCITS and of the Management Company.	Yes
The Director of Real Estate Risks and Unlisted Assets	Risk Department	<ul style="list-style-type: none"> • Work with the management company in the implementation of its risk management measures 	<ul style="list-style-type: none"> • Power to decide on any arbitrage based on feedback from Risk Managers 	The functions performed, the degree of responsibility and the professional activities of the employee are likely to have a significant impact on the risk profile of managed AIFs or UCITS and of the Management Company.	Yes
Risk Control & Reports Director	Risk Control & Reports	<ul style="list-style-type: none"> • Work with the management company in the implementation of its risk management measures • Organise the supervision of the department, ensure performance monitoring and risk control of managed funds 	<ul style="list-style-type: none"> • Power to decide on any arbitrage based on feedback from Risk Managers 	The functions performed, the degree of responsibility and the professional activities of the employee are likely to have a significant impact on the risk profile of managed AIFs or UCITS and of the Management Company.	Yes

Internal Control & Compliance Director	Internal Control & Compliance Department	<ul style="list-style-type: none"> • Work with the management company in the implementation of its risk management measures 	<ul style="list-style-type: none"> • Power to decide on any arbitrage based on alerts raised regarding the failures of the Management Company or in the management 	The functions performed, the degree of responsibility and the professional activities of the employee are likely to have a significant impact on the risk	Yes
--	--	--	---	---	-----

		<ul style="list-style-type: none"> Organise system controls and monitor the implementation of action plans for the supervision of identified risk areas 	of the fund in relation to its regulatory obligations or operational risks	profile of managed AIFs and of the Management Company.	
RCCI	Internal Control and Compliance Director	<ul style="list-style-type: none"> Ensure compliance with professional obligations, contractual commitments in the performance of activities and decisions taken by the management body. 	<ul style="list-style-type: none"> Power to raise the alert on the failures of the Management Company or in the management of the fund in relation to its regulatory obligations or operational risks 	The functions performed, the degree of responsibility and the professional activities of the employee are likely to have a significant impact on the risk profile of managed AIFs or UCITS and of the Management Company.	Yes
Operational Risks/Data Protection Director	Operational Risks/Data Protection Department	<ul style="list-style-type: none"> Work with the Management Company in the implementation of its operational risk management and data protection measures Monitor the implementation of action plans for the supervision of identified risk areas 	Decision-making powers on the failures of the Management Company or in the management of the fund in relation to its operational risks and data protection	The functions performed, the degree of responsibility and the professional activities of the employee are likely to have a significant impact on the risk profile of managed AIFs and of the Management Company.	Yes
Middle Office Director	Middle Office	<ul style="list-style-type: none"> Supervise the operational and administrative coordination of transaction processing Management of relations with service providers 	Power to raise the alert on the failures of the Management Company or in the management of the fund	The functions performed, the degree of responsibility and the professional activities of the employee are likely to have a significant impact on the operational functioning of managed AIFs and of the Management Company.	Yes

ANNEX III: Quantitative/qualitative employee assessment criteria
Criteria relating to New Alpha Asset Management

Roles	Quantitative criteria	Qualitative criteria
Management	<ul style="list-style-type: none"> • Performance of the funds under management over the previous year and over the last three years assessed on the basis of underlying fund benchmarks and fund of funds benchmarks; • • Compliance with risk envelopes and internal guidelines; • Awards and market recognition; • Collection of the team's expertise; • Success in Calls for Tenders. • Compliance with the Group's exclusion policy • 	<ul style="list-style-type: none"> • Integration and compliance with regulatory constraints, ratios, compliance rules, ESG policy • Integration of sustainability risks in investment decisions and monitoring of set guidelines • Active cross-sector contribution to the management process and to the various committees; • Contribution to the marketing process and image of the entity; • Promotion and distribution of ESG management principles both in-house and externally; • • Contribution to product innovation and in particular sustainable products; • Overseeing the production of reports in a timely manner; • Team spirit and transparency/sharing of best practices; • Management quality.
Risk control	<ul style="list-style-type: none"> • Technical contribution to calls for tenders; • Technical contribution to regulatory reports • Proposals for the development of processes, methodologies, etc.; • Timing and content of returns on fixed objectives; • Relevance and responsiveness to risk alerts in terms of sustainability. • Number of incidents 	<ul style="list-style-type: none"> • Consideration of regulatory constraints including ESG constraints; • Monitoring the compliance of the funds' commitments in terms of sustainability • Good integration of client specifications and internal risk guidelines; • Contribution to product innovation; • Contribution to cross-sector initiatives and projects of La Française Group; • Management quality.
Compliance/Internal control/Operational risks	<ul style="list-style-type: none"> • Implementation of the control plan approved by General Management; • Follow-up of recommendations. • Number of incidents 	<ul style="list-style-type: none"> • Ability to identify and manage Management Company risks with the implementation of escalation procedures; • Ability to challenge the Management Company's operational roles based on the regulatory obligations and procedures of the Management Company; • Quality of controls and reporting on these controls including ESG controls; • Responsiveness and proactive ability; • Supervision of regulatory constraints in terms of sustainability; • Contribution to the funds' due diligence process;

		<ul style="list-style-type: none"> • Team spirit and transparency/sharing of best practices; • Ability to manage their team. • Integration of points specific to sustainable finance into the control plans • Development and updating of risk maps
<p>Middle Office Director</p>	<ul style="list-style-type: none"> • Service provider KPIs • Relevance of alert analysis and responsiveness • Counterparty claims • Management of accounting and financial information flows with service providers and various counterparties • Accurate, non-misleading fund financial statements 	<ul style="list-style-type: none"> • Cross-sector contribution to initiatives and projects of the La Française Group • Ability to challenge management teams • Team spirit and transparency/sharing of best practices; • Ability to manage their team. • Compliance with procedures and regulations

ANNEX IV: Behaviour that may give rise to a penalty or restitution

Nature of behaviour	Degree of gravity of behaviour	Frequency of behaviour	Impact on remuneration	
			Penalty	Restitution
Excessive risk-taking	Any behaviour exposing: <ul style="list-style-type: none"> The asset management company to an unusual and significant risk One or more funds to significant risk not provided for by the risk monitoring policy of said Funds, including sustainability risks 	One time	YES	NO
False declaration	False declaration resulting in either a significant reprocessing of the company's financial results or a reputational risk	One time	YES	YES
Misconduct	The employee has behaved in a manner detrimental to the company which results in a significant financial impact or damages the reputation of the company.	One time	YES	YES
	The employee is dismissed on genuine and serious grounds, gross misconduct or wilful misconduct	One time	YES	NO
Serious technical error	Remuneration was based on flawed performance metrics	One time	YES	NO
Failure to identify risks	The employee, inappropriately or through gross negligence, has failed to identify, as might reasonably be expected in the light of his or her duties, major risks including sustainability risks	One time	YES	NO

These ex-post adjustment mechanisms apply to those concerned who are directly at fault. The General Management of the La Française Group will examine on a case-by-case basis whether it is appropriate to also apply them to other employees whose responsibilities include the areas in which the behaviour described above occurred.

The amounts of penalties and restitution of bonuses will be submitted to the Group Remuneration Committee on the proposal of the General Management

ANNEX V

Integration of sustainability risks into its remuneration practices

OUR SUSTAINABLE INVESTMENT PHILOSOPHY

La Française Group believes that a profitable investment should be a sustainable investment. We place environmental and social issues at the heart of our investment strategy.

We are fully committed and actively working towards a more sustainable economy. Moreover, we are committed to applying our responsible investment strategy to all of our different asset classes.

Our strategy therefore aims to steer our capital allocation towards long-term energy transition while minimising our current carbon impact. It also aspires to provide a sustainable investment solution and seeks to maximise long-term returns for our clients.

The remuneration policy is fully aligned with La Française Group's practices in terms of integrating environmental, social and governance (ESG) factors into its third-party management activity.

The remuneration practices detailed below ensure that sustainability risks are integrated into the remuneration policy of La Française Group.

INTEGRATION OF SUSTAINABILITY RISKS IN THE REMUNERATION POLICY OF LA FRANCAISE GROUP

Each year, the Remuneration Committee approves all changes to the remuneration policy of the various Group entities. In accordance with the SFDR Regulation on Sustainability Disclosure, the Group is committed to establishing, implementing and maintaining remuneration policies, procedures and practices that promote sound and effective risk management, including sustainability risks.

Specific roles and responsibilities surrounding sustainability have been defined for different internal functions, and targets have been set. During the annual appraisal interview, the various objectives - including those relating to sustainability - are assessed and the variable remuneration awarded to employees is determined by a discretionary process.

Teams that have specific sustainability goals are:

The Managers integrate the risks of sustainability into investment decisions and respect the guidelines set for all portfolios and contribute to the innovation of sustainable and innovative products.

The Risk Managers monitor compliance with the sustainability commitments of the Funds.

Internal Controllers supervise the regulatory constraints in terms of sustainability and include points dedicated to sustainable finance in the control plans.

Updated December 2023

Our sales staff contribute to developing our assets, while simultaneously respecting clients' limitations in terms of risk and return, including sustainability risk.

Our marketing managers include sustainability factors when developing new products.

The Head of Sustainable Investment at Group level, who is a member of the Executive Committee, ensures the cohesion of the approach between the line defined by the Management Board and its implementation within the Management Company.

For employees whose variable remuneration is subject to deferral, a penalty or restitution system may apply if the employee exposes the Group or any of its companies to abnormal or excessive risk-taking, or if the employee exposes one or more Funds to a significant risk not foreseen by their risk monitoring policy, including sustainability risks.