

Remuneration Policy of Bellatrix Asset Management S.A. (the Company)

This remuneration policy covers fixed and variable components and discretionary pension benefits. It covers the categories of staff, including senior management, risk takers, supervisors, and any employee who, on the basis of his total remuneration, is in the same tranche of remuneration as the general management and risk takers whose professional activities have a material impact on the risk profiles of the Company or the investment fund(s) it manages.

This procedure is applicable on an individual and consolidated basis.

These provisions do not apply to fees and commissions received by intermediaries and external service providers in the event of subcontracting. Similarly, in the case of fixed remuneration, this procedure does not apply.

1. **General**

The Company establishes implements and maintains a remuneration policy that is consistent with sound and effective risk management that promotes such management and does not encourage risk taking that is inconsistent with risk profiles. Regulation or the governing documents of the investment funds it manages and that does not affect the obligation of the Company to act in the best interests of the investment fund.

The remuneration policy is aligned with the Company's economic strategy, objectives, values and interests, funds and investors and includes measures to avoid conflicts of interest.

2. **Structure of the remuneration policy**

Where remuneration includes a variable component or a bonus based on performance criteria, the remuneration policy is structured in such a way as to strike a fair balance between the fixed and variable components.

The right balance of remuneration components may vary depending on the employee concerned, market conditions and the specific context in which the Company operates. The Company's remuneration policy has set a ceiling for the variable component.

An appropriate balance is established between the fixed and variable components of total remuneration. The fixed component represents a sufficiently large portion of total remuneration and allows the Company to pursue a fully flexible bonus policy, including the possibility of paying no variable component. In particular, the Company is able to partially or fully retain the premiums when the performance criteria have not been met by the employee concerned, the relevant operational department or the Company as a whole. The variable remuneration, including the deferred portion, is paid or earned only if it is compatible with the financial position of the Company as a whole (the

situation affecting the sustainability of the Company) and is justified by the performance of the operational unit, investment fund and the person concerned.

The total amount of variable remuneration will be significantly reduced when the Company or the fund concerned has poor or negative financial performance, taking into account both current remunerations and reductions in payments of amounts previously acquired, including through penalties or recovery.

Depending on the legal structure of the investment funds managed by the Company, Archea Fund and Harvest Investment Fund, their respective regulations or constitutive documents, a significant portion, and in any case not less than 50% of the variable component of remuneration, consists of shares of the relevant investment funds in an equivalent holding or in equity-related instruments or equivalent non-cash instruments with incentives as effective as the instruments referred to in that paragraph; unless the management of investment funds represents less than 50% of the total portfolio managed by the Company, in which case the minimum threshold of 50% does not apply. The instruments referred to in the preceding paragraph are subject to an appropriate retention policy designed to align incentives with the interests of the Company and the investment funds it manages and those of the investors of those investment funds. This point applies to both the portion of the variable component of deferred remuneration and the portion of non-deferred variable remuneration;

A substantial portion, and in any case at least equal to 40%, of the variable component of remuneration shall be carried forward for an appropriate period, taking into account the investor's holding period for the relevant investment fund; This share is fairly commensurate with the nature of the risks associated with the investment fund in question.

The period is at least three years; the remuneration payable under deferral arrangements is only earned on a pro rata basis. If the variable component of remuneration is particularly high, a payment of at least 60% is deferred.

Payments related to the early termination of a contract correspond to performance over time and are designed so as not to reward failure.

The guaranteed variable remuneration is exceptional, applies only to the hiring of a new staff member and is limited to the first year of commitment.

The pension policy is consistent with the Company's economic strategy, objectives, values and long-term interests and the investment funds it manages. If the employee leaves the Company before retirement, discretionary pension benefits are retained by the Company for a period of five years. In the case of an employee who reaches retirement age, discretionary pension benefits are paid to the employee, subject to a retention period of five years.

The Board of Directors of the Company has the power to require employees to reimburse all or part of the bonuses awarded for recognized performance on the basis of data that subsequently proved to be fraudulent.

The Company periodically updates the structure of its remuneration policy to ensure that it is adapted to its evolution.

3. **Performance Measures**

When remuneration varies according to performance, the total amount is determined by combining the performance evaluation of the employee and the operational department concerned and their risks with that of the overall results of the Company when evaluating performance, taking into account financial and non-financial criteria.

The remuneration policy aims to align employees' personal objectives with the long-term interests of the Company. In assessing performance components, the Company considers long-term remuneration and takes into account the risks associated with it.

The performance evaluation is part of a multi-year framework adapted to the recommended holding period for investors of the investment fund(s) managed by the Company, in order to ensure that it reflects long-term performance of the investment fund(s) and that the effective payment of performance-based remuneration components is spread over the same period.

Performance measurement, when used as a basis for calculating the variable components of individual or collective remuneration, includes an overall adjustment mechanism that integrates all types of future, present and future risks associated with underlying performance and takes into account the cost of the capital used and the required liquidity.

In determining individual performance, the Company considers other criteria such as compliance with internal rules and procedures, compliance with the Company's systems and control mechanisms, and compliance with client relations standards and investors.

4. **Governance**

The remuneration policy provides for measures to avoid conflicts of interest. The Company's procedures for determining remuneration are clear, documented and transparent internally.

The Board of Directors determines the remuneration of the members of the administrative and management bodies of the Company. It sets out the general principles governing the remuneration policy of the Company and ensures its implementation. In determining this policy, the Board of Directors takes into account all elements relating to the Company's strategy, risk-taking strategy, nature, scale and complexity of the Company's business. It ensures at regular intervals, in compliance with its supervisory role, that the Company has an adequate policy and procedures in this area.

The board of directors may, if it considers it necessary, be assisted by a remuneration committee composed of directors other than those involved in the day-to-day management of the Company or representing the employees.

The control functions (risk management, internal control, compliance function) and the human resources department are involved in the development of the remuneration policy. External experts may be involved.

The remuneration of senior managers in charge of risk management and compliance functions is directly supervised by the Board of Directors and, where appropriate, by the Remuneration Committee.

The members of the board of directors in charge of the remuneration policy and, where applicable, the members of the remuneration committee and the employees involved in the development and implementation of the remuneration policy have the expertise necessary and are functionally distinct from the controlled operational departments. They are thus able to form an independent judgment as to the adequacy of the remuneration policy, including its impact in terms of risk and risk management.

The Company's management is responsible for the implementation of the remuneration policy. It defines the procedures that it submits to the approval of the Board of directors.

The implementation of this remuneration policy is subject, at least once a year, to an internal, centralized and independent review by the audit functions in order to verify compliance with the policies and procedures defined by the Board of Directors. The audit functions report the results of this review to the Board of Directors. A copy of the report shall be kept at the disposal of the Commission de Surveillance du Secteur Financier (CSSF).

Employees are required to agree not to use personal hedging strategies or remuneration or liability insurance to offset the impact of alignment with the risk embedded in their remuneration arrangements.

Variable remuneration is not paid through instruments or methods that facilitate the circumvention of the requirements set out in the remuneration policy.

Employees participating in control procedures are independent of the operational departments they control, have an adequate degree of authority and are paid in relation to the achievement of the objectives associated with their functions, irrespective of the performance of the controlled operating segments.

The remuneration policy and procedures required and any changes thereto are made known to the personnel concerned by the Management. Employees have access to general principles concerning remuneration policy. They are informed in advance of the criteria used to determine their remuneration as well as the evaluation procedure. The Company ensures that the evaluation procedure and remuneration policy are documented and transparent to the employees concerned.

5. Disclosure

All the relevant information concerning the remuneration policy, its updating in case of modification, is disclosed by the Company in a clear and easily understood way for the employees concerned. The Company will choose the method of disclosure it deems most appropriate (independent disclosure regarding remuneration policy, periodic disclosure in the annual financial statements or otherwise).

The Company discloses the following information:

(a) the decision-making process followed to define the remuneration policy, including, where appropriate, information on the composition and mandate of the remuneration committee, the names of the external consultants whose services were used to define the remuneration policy and the role of relevant stakeholders;

(b) The relationship between remuneration and performance;

- (c) The criteria used to measure performance and take into account risks;
- (d) The performance criteria for the allocation of variable remuneration components;
- (e) The key parameters and rationale for the annual bonus and non-cash benefits.

6. **Supervision**

The adoption of a good remuneration policy is considered by the Company as an element of internal governance. As such, it is an integral part of the supervisory review process.

The auditor of the Company reports to the board of directors or the audit committee, where appropriate, the material weaknesses observed during the review of the implementation of the remuneration policy. The report drawn up by the auditor shall contain an assessment of the rules in place.

References :

Directive :

- 2014/91/UE

Circular :

- Circular CSSF 10/437