



REMUNERATION POLICY SUMMARY

The main purpose of the Remuneration Policy (hereinafter referred to as the “Policy”) of Diversified Asset Management S.A. (hereinafter referred to as “DAM”) is to clarify how remuneration is allocated among the staff members of DAM, bearing in mind that DAM strives to promote sound and effective risk management by not encouraging its staff members in any way to take inappropriate risks.

The principles which govern this Policy are set by the Board of Directors of DAM, which is assisted by both the Remuneration Committee and the Execution Committee. In addition, one of the missions of the Board of Directors is to oversee the annual individual assessment process of staff members. It is also to be noted that this Policy is regularly reviewed by the internal control functions of DAM.

The remuneration received by the staff members of DAM is determined by the outcome of the annual individual assessment to which each staff member is subjected, as well as by the economic performance of DAM. Specifically, once a year, staff members of DAM undergo an appraisal process led by the Executive Committee. The purpose of this appraisal process is twofold: (i) to evaluate the individual performance on the basis of the objectives set at the beginning of the year in order to assess whether there is room for improvement, the possibility of an increase in fixed remuneration or the granting of variable remuneration and (ii) to determine the individual objectives for the year to come.

The core principles which govern this Policy can be summarized as follows:

- This Policy is gender neutral; accordingly, remuneration is based exclusively on objective and impartial criteria, such as the level of education, work experience, etc.
- There must always be an adequate balance between fixed remuneration and variable remuneration, the former having to represent a sufficiently large share for DAM to have the possibility, if deemed appropriate, of not paying any variable remuneration. To this effect, the Board of Directors has decided that variable remuneration cannot exceed 75% of fixed remuneration.

Fixed remuneration and variable remuneration

Fixed remuneration consists of a salary which is paid to all staff members once a month; it also includes various benefits for those who assume a higher level of responsibilities. The sound management of risks by DAM implies that fixed remuneration is sufficiently high to adequately remunerate the work performed by staff members, guaranteeing a reasonable standard of living.

Variable remuneration, on the other hand, serves to motivate and reward DAM staff members who participate in the creation of revenue and increase shareholder value. Variable remuneration must, however, be allocated in such a way as to promote sound risk management, which does not encourage excessive risk-taking, and which does not limit DAM's ability to strengthen its capital. In particular, variable remuneration should not encourage excessive risk-taking with regard to sustainability risks.

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