



SFDR REMUNERATION POLICY STATEMENT

2021

March, 10th 2021

INTRODUCTION

This remuneration policy (this “Policy”) is designed for the employees of Fasanara Capital Ltd (the “Company”). It aims at maintaining a policy consistent with sound and effective risk management and which does not lead to excessive risk. It is designed to enhance client’s and investor’s protection in the provision of service, while aligning with the Company’s strategy, objectives, values and its long-term interests such as sustainable growth prospects.

This Policy describes the basic principles of the remuneration, indicating the relationship between remuneration and services, relative importance of various remuneration components, including the Company’s performance.

This Policy also considers the sustainability risks factors as defined by the new Regulation EU 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sectors (the “SFDR”).

This Policy is based on the following:

- performance as much as the development of employees;
- general offer for competitive remuneration opportunities that enable the Company to attract, keep, motivate and reward all employees essential to the efficient and effective business conducting, which is necessary to benefit both the Company’s and clients and investors interests;
- encourage employees to share the overall success of the Company while continuing to fulfil their roles and their responsibilities individually;
- focus attention on success factors for the development of activities in the Company in respect of its interests in the short, medium and long term;
- maintain and enhance performance by linking remuneration directly to the achievement of goals in an ambitious individual and collective performance point of view;
- implement sound corporate governance and strict compliance with procedures, internal regulations, social legislation and financial sector legislation.
- be consistent with the integration of the sustainability risks into any decision related to the remuneration of the people described in this Policy.

The remuneration depends on the position held, level of responsibility and experience as well as the individual, team and Company performance. It is to comply with the relevant business practices regarding the nature and importance of the position and characteristics of the business sectors in which the Company works. Other factors such as fairness and balance processing within the Company, present and future risks associated with performance and aligning individual objectives with the Company’s long-term interests are also taken into consideration.

The remuneration of the employees must be aligned with their function, the maintenance of the financial sustainability of the company and must comply with all the policies adopted by the Company and take into consideration all the sustainability risks, in order to mitigate any excess and in order to align all the interests.

This is valid for the base of the remuneration but also for the variable that should not come in excess in a way that could encourage risks to be taken and no alignment with the clients' interest. It must also be aligned with the risk management procedures of the Company.

1. Remuneration Concerned

This Policy shall apply to any benefit of any type paid by the Company, as consideration for the professional services rendered by the staff.

2. Decision Making Process and Implementation

The board of directors of the Company has approved this Policy and is responsible for its implementation.

Every year, the board of directors shall determine the remuneration of individual staff as provided by this Policy in conjunction with an evaluation done by the Senior Managers.

The decision taken regarding the individual remuneration, is the object of a written report finalised by the Senior Managers, this report being approved by the board.

Each year the implementation of the Policy is the subject of an independent examination from the Chief Compliance Officer to verify compliance with the policies and procedures.

The Chief Compliance Officer may rely on the views of other Senior Managers as appropriate.

A report of this examination is addressed to the board of directors and copies of this report shall remain at the disposal of the relevant regulators, upon their express request.

3. Remuneration Component

The remuneration of employees subject to this Policy includes a fixed and, if applicable, a variable part. The composition and the amount of total remuneration are reviewed each year, ensuring a balance among its components.

The fixed component (base salary) is composed of a monthly base salary paid monthly. The fixed salary shall be reviewed annually but may not be modified. The fixed salary is normally not decreased, unless in very special situations (e.g. the Company performing poorly and in need of adjusting its costs' base)

The variable part is based on the satisfaction of all goals set in terms of performance. The level of bonus depends on the Company's performance, the performance of the funds managed by the Company, and individual performance of employees.

The Chief Compliance Officer, being independent of the entities he supervises, may never be remunerated in correlation with performances of those entities. His remuneration shall always be adequate with his responsibilities, duties and own performance.

The remuneration of directors consists of a fee decided each year by the General Meeting of Shareholders approving the annual accounts for the last financial year. The remuneration may vary between directors and very much depends on the actual contribution each of them have on the day-to-day operating activities of the Company. The directors may not receive any variable remuneration linked to results or other performance criteria. They are not entitled to stock options, nor to any supplemental pension scheme.

The directors that are also involved in the daily management of the Company may be entitled, in addition to this fee, or not, to a remuneration as scheduled for employees subject to this Policy. This also needs to be consistent with the integration of the sustainability risks factors.

4. Assessment Process

An assessment process, taking into account factors related to the sustainability risks, is annually performed for each employee, which is taken into account for the determination of the fixed remuneration, but also, especially, its variable part.

This assessment is based on the criteria listed below:

- goals (department / team, individual, quantitative and qualitative, year / long term)
- skills by role with the need to obtain, in evaluating the respect of values, a minimum score to be eligible to claim a variable part of remuneration
- sustainability risks considerations

Variable remuneration is influenced by the performance of the Company and individual performance.

The following indicators are considered for staff subject to this Policy:

- alignment with business objectives, taking into account the performance of the Company, business units, the individual and team performance;
- adjustment between taking current and future risk, taking into account the long-term interests;
- stimulating the development of skills and expertise; and
- alignment with the sustainability and risks factors

The amount of the variable part is determined by the following parameters:

- score goals, which is a part of the overall evaluation score;
- scores of all other employees - the distribution of scores;
- with the scale of individual variable remuneration;
- the available budget for variable remuneration based on the performance of the Company; and
- alignment with the sustainability risks factors

This Policy will be available for employees of the Company. Any changes will be communicated as soon as possible.

This Policy is published on the Company website www.fasanara.com