

## REMUNERATION POLICY STATEMENT

The purpose of this remuneration policy statement is to provide investors with the details of the up-to-date remuneration policy in accordance with the Directive 2009/65/EC, as amended.

A paper copy can be made available free of charge upon request to Crédit Andorrà Asset Management Luxembourg (the **Management Company**).

### 1. PURPOSE OF THE REMUNERATION POLICY

The Management Company has established and applies a remuneration policy which is consistent with, and promote, sound and effective risk management and that neither encourage risk taking which is inconsistent with the risk profiles, the management regulations or the constitutive documents of the undertaking for collective investments in transferable securities under management (the **UCITS**), nor impede the Management Company to act in the best interest of the UCITS.

### 2. IDENTIFIED STAFF

The Management Company has identified the following types of staff as material risk takers over the UCITS' management: (i) persons involved in the direct or indirect management (directors and conducting officers of the Management Company), (ii) all persons having control functions in the Management Company (including staff responsible for risk management, compliance and internal audit functions) (iii) all heads of departments of portfolio management, administration, marketing and human resources (if any) and (iv) all persons whose professional activities impact the risk profile of the Management Company or the sub-funds of the UCITS and who receive a total remuneration that take them into the same remuneration bracket as risk takers.

### 3. REMUNERATION STRUCTURE

The Management Company offers to its employees a remuneration package that includes (i) a fixed salary, (ii) a variable pay and (iii) benefits.

The fixed salary represents the main component of the total remuneration and the payment of a variable pay is not mandatory. All employees are eligible to receive a variable pay. The Management Company only pays variable remuneration in the form of bonuses payable up-front directly in full after their allocation. By virtue of the principle of proportionality the Management Company does not pay variable remuneration in shares or in other type of financial instruments issued by the UCITS. The directors and conducting officers of the Management Company's group may receive a variable pay for their other functions within the group but not as director or conducting officer of the Management Company (for which they do not receive neither a fixed pay).



Employees of the Management Company may also receive ancillary benefits such as health insurance, luncheon vouchers and mortgage loan interest partial reimbursements. However, those ancillary benefits are part of a general, non-discretionary, wide policy of the Management Company and are thus excluded from the remuneration policy for the purposes of the risk alignment remuneration requirements.

#### 4. MEASURES TO AVOID EXCESSIVE RISK TAKING AND CONFLICT OF INTERETS

Considering its size, internal organization and the nature, scope and complexity of its activities, the Management Company has applied the principle of proportionality to disregard the application of certain legal requirements, in particular regarding the pay-out processes for identified staff (such as payment of variable remuneration in shares in the UCITS, deferral requirements, retention periods and ex-post incorporation of risk (malus or clawback arrangements)).

To avoid excessive risk taking, the Management Company ties its staff to long term performance taking into account of the result of the last three (3) years to determine the variable remuneration. The Management Company also limits guaranteed payments to exceptional circumstances (i.e. only when hiring new staff and for the first year of employment) and ensures that severance payment related to termination of a contract (if any) shall solely reward the effective performance during the employment period.

In addition, the Management Company does not offer discretionary pension benefit, nor allows its employees to subscribe to liability related insurance or to enter into personal hedging agreement (i.e. agreement by which an employee may receive direct or indirect payment from a third party in order to compensate or which may be commensurate with a downward of their variable remuneration) to circumvent the remuneration policy.

#### 5. REMUNERATION AND BENEFITS CALCULATION

The Management Company offers fixed pays whose amount is based on criteria such as the level of education, the degree of seniority, the level of expertise and skills required, the constraints and job experience, the relevant business sector and region.

In the calculation of the variable pay, the Management Company uses an award process taking into account risk measurement while assessing performance. Prior to allocating variable pay to employees the Management Company determines a pool of variable remuneration per business unit. These pools of variable remuneration are adjusted each year to reward the overall annual achievement of the Management Company's financial and strategic objectives. An annual appraisal process is used to evaluate and measure each employee's performance against defined objectives. The performance of an employee is measured through qualitative and quantitative criteria based on various factors (i.e. business and financial results, client service, technical skills, etc.). When assessing performance of an employee, the Management Company takes into account the individual performance of the employee and of his/her business unit, as



well as of the UCITS managed and of the overall of the result of the Company and of the Crédit Andorrà Financial Group.

The benefits that employees of the Management Company may receive are excluded from the remuneration policy and thus not subject to binding calculation process. To that extent, benefits are given to employees on a non-discretionary basis and are identical for all employees.

## 6. IDENTITY OF THE RESPONSIBLE PERSONS FOR AWARDING REMUNERATION

The persons responsible for awarding the remuneration and benefits of the employees are the directors of the Management Company, from time to time. The identity of the directors of the Management Company is disclosed in the prospectus of each UCITS.

At the date of this statement, the directors are:

- José-Luis Dorado Ocaña, Chairman
- Carlos Fernández Rubies, Director
- Bonaventura Vidal Flinch, Director
- Andrès Roldan, Director.

In case of change of director, the information is publicly available on <http://www.legilux.public.lu/entr/search/index.php> by entering the name of the Management Company. The prospectuses of the UCITS are updated with names of the Management Company's directors with the next major change to the UCITS' prospectus.

By virtue of the principle of proportionality, the Management Company has not yet a remuneration committee.

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