

SYGNUM PTE LTD REMUNERATION STATEMENT

A. OBJECTIVES

This Remuneration Statement (“**Statement**”) summarizes the principles governing the remuneration and compensation framework of Sygnum Pte Ltd (“**SPL**”) which are set out under a dedicated Remuneration Policy. This document is aimed at disclosing detailed information regarding Sygnum’s Remuneration Policy and practices for members of staff whose professional activities have a material impact on the risk profile of the Funds managed by Sygnum as well as providing general information about the basic characteristics of Sygnum-wide remuneration policies and practices.

This Statement shall not, and may not be relied upon in any manner as, legal, tax, financial or investment advice or as an offer to sell or a solicitation of an offer to buy any security, product or service or to provide investment advice. This Statement does not purport to contain all of the information that may be required to evaluate an investment in the Fund/s and each recipient is urged to consult its tax, legal, financial, accounting and other advisors about the matters discussed herein.

B. LEGAL, REGULATORY AND INTERNAL BASIS

- SPL Remuneration Policy (“**RP**”);
- Section XIII of the ESMA Guidelines on sound remuneration policies under the AIFMD (“**ESMA Guidelines**”).

C. REVIEW

This document will be reviewed as required and determined by the SGEB unless changes to the RP requires otherwise. In the event of any changes to the information set out herein, the update and publication of this Statement shall be performed at least annually.

D. DEFINITIONS

- **AIFMD**: Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers
- **BoD**: Board of Directors
- **Control Functions**: staff (other than senior management) responsible for risk management, compliance, internal audit and similar functions within an AIFM (e.g. the CFO to the extent that he/she is responsible for the preparation of the financial statements)
- **Funds**: the funds under management from time to time by Sygnum
- **Identified Staff**: categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on Sygnum risk profile or the risk profiles of the funds that it manages and categories of staff of the entity(ies) to which portfolio management or risk management activities have been delegated by Sygnum, whose professional activities have a material impact on the risk profiles of the fund that Sygnum manages
- **NCC**: means the nomination and compensation committee of Sygnum Bank AG
- **Phantom Stock Option Plan (PSOP)**: employee stock options provided as part of the Initial Entrepreneurial

- Incentive (“IEI”) which have a minimum vesting period.
- **Remuneration bracket:** the range of the total remuneration of each of the staff members in the senior manager and risk taker categories – from the highest paid to the lowest paid in these categories
- **RP:** Remuneration Policy
- **Singapore Executive Board (SGEB):** The Executive Board of Sygnum
- **Sygnum:** Sygnum Pte Ltd

E. SCOPE OF APPLICABILITY

This Statement applies to Sygnum Pte Ltd activities and, in particular, with respect to the management and marketing of Funds across the European Union, subject to the relevant authorization and notification requirements. Other than the requirements and the selected articles referred to under Article 42 of AIFMD and Section XIII of the ESMA Guidelines and without prejudice to any additional national requirements applicable in the countries where Sygnum markets its Funds, Sygnum is not subject to other provisions of the AIFMD, including provisions on remuneration.

1. IDENTIFIED STAFF

The following functions have been classified as identified staff in view of their role and functions performed in respect of Sygnum activities and the impact that their activities may have on Sygnum/Funds overall performance and/or balance sheets:

- Chief Executive Officer
- Risk Officer
- Compliance Officer
- Appointed Representatives who carry out the regulated activity of fund management in Singapore
- Investment committee members
- BoD members who are involved in fund management related decisions

F. GENERAL INFORMATION ON REMUNERATION PRACTICES

1. PROPORTIONALITY

Sygnum complies, where required, with the applicable remuneration principles adopting a proportionate approach. This criterion is applied by means of setting requirements, restrictions as well as policies and procedures deemed to be appropriate to its size, internal organization and the nature, scope and complexity of its activities.

Such proportionality principle refers to both the activity of Sygnum as a firm (i.e. having reference to the type, number of funds under management, the overall level of assets under management, the lack of leverage or level of leverage adopted, the type of underlying investments of such funds as well as their investment and marketing strategy), as well as the organisational structure of SPL (e.g. corporate governance structure, lack of branches, geographical scope of activities) and the composition of the Identified Staff (including their numbers, the structure of their remuneration and the size of obligations risk takers may enter into on behalf of SPL).

2. REMUNERATION POLICY

Sygnum has in place a RP having, amongst others, the following objectives and principles:

1. sets out the principles governing the remuneration and compensation arrangements at the SPL level;
2. to promote a sound and effective risk management environment, not encourage risk-taking which is inconsistent with the risk profiles, rules or instruments of incorporation of schemes under management and/or discretionary

and/or advisory mandates;

3. to ensure compliance with the conflict of interests principles set out in the dedicated conflict of interest framework in place at the SPL level;
4. to ensure that the remuneration framework complies with the applicable legislative, regulatory and internal requirements;
5. to ensure that the remuneration framework adopted by SPL enables the fair treatment of clients and that their interests are not unfairly impaired by the applicable remuneration arrangements in the short, medium or long term;
6. to ensure an alignment between the remuneration framework adopted by SPL and the business strategy, objectives, values and interests of the Sygnum and the Funds it manages or the investors of such Funds;
7. it is oriented towards the long term;
8. the remuneration components have been combined to ensure an appropriate and balanced remuneration package that reflects the business units, the employees' rank in SPL, the professional activity as well as the common market practice.

The aforementioned principles shall apply to remuneration of any type paid by SPL, to any amount paid directly by the Fund itself, including carried interest, and to any transfer of units or shares of the Fund, made to the benefits of Identified Staff.

The aforementioned RP has been prepared in accordance with the decision-making process featuring the corporate governance practices of SPL. In particular, the RP (and this Statement) has been approved by the SGEB, in consultation with the Compliance and Group Risk Officer (where relevant), as well as the People and Talent Department. Further information on the role of the aforementioned bodies are set out below.

Sygnum will provide a copy of its RP free of charge to investors, upon written request.

G. BODIES INVOLVED IN THE PREPARATION AND IMPLEMENTATION OF THE REMUNERATION POLICY

1. THE BOARD OF DIRECTORS AND SGEB

The SGEB is responsible for overseeing the overall strategy and day-to-day execution of SPL's business activities. The SGEB also acts as an internal oversight and management committee that reports to the CEO and the BoD of SPL. The role of the SGEB with respect to remuneration will also include the approval of the remuneration budget.

2. PEOPLE AND TALENT DEPARTMENT

The People and Talent Department will provide necessary advice and set appropriate guidelines to support the relevant line manager in ensuring that the appropriate and adequate performance measures are applied to the respective employees, and the subsequent assessment conducted.

3. CONTROL FUNCTIONS

The Group Risk function will ensure that necessary risk assessments are conducted on a timely basis with adequate controls put in place to achieve the objective of the RP.

The Compliance officer will ensure that the RP is in line with the relevant MAS requirements (where required) as well as the applicable obligations under the AIFMD in respect of funds marketed in the European Union, to achieve the objective of fair treatment of clients and investors, and review the policy at least annually.

H. REMUNERATION ARRANGEMENTS

1. CONTROL FUNCTIONS

Personnel covering independent control functions are evaluated in relation to the achievement of the objectives associated with their functions, independently of the performance of the business units supervised. The remuneration of the senior officers in the risk management and compliance functions is directly overseen by the SGEB and approved by the BoD.

The sections below provide an outline of the different forms of remuneration used as well as arrangements not in place at the date of this document. In setting up the remuneration framework, Sygnum has adopted its best efforts in order to ensure that:

- such framework does not unlawfully and adversely affect the legitimate interests of its clients and/or investors in the funds under management;
- remuneration is not paid through vehicles or methods that facilitate the noncompliance with the applicable legislative, regulatory and/or internal provisions.

2. RISK TAKING

The RP aims to avoid indiscriminate risk-taking by the personnel which may generally be reflected by the sole goal of generating greater immediate or short-term variable remuneration. As far as sales personnel and/or portfolio managers are concerned, excessive risk-taking is thus avoided by setting up qualitative objectives and limiting quantitative references to parameters whose decision making is not the sole responsibility of the person being evaluated and/or long-term performance benchmarks. SPL currently has no arrangements that rewards Identified Staff solely based on the performance of a managed Fund.

3. FIXED REMUNERATION

Fixed compensation consists of a base salary paid on a monthly basis, which is determined by taking into consideration various factors which include and are not limited to the role of the individual employee, job responsibility, job complexity, professional and academic experience, market conditions as well as internal parity. It represents a sufficient high proportion of the total compensation and allows a fully flexible bonus strategy, including the possibility to pay no variable compensation component.

4. VARIABLE REMUNERATION

The variable remuneration allocated is based on a combination of the assessment of the performance of the individual – see dedicated sections below - and of the department concerned and of the overall results of Sygnum, while taking into account the future potential of the individual and his or her department. The variable part of the remuneration consists of a non-contractual and discretionary bonus that reflects sustainable and risk-adjusted performance which is not tied to the performance of any Funds and applies in the same form (i.e. cash payment) across the different categories of staff. Specifically, Sygnum has a long term strategic incentive (“LTSI”) in place for Executive and Managing Directors and a small group of high performing team members at all levels that takes into consideration future potential. Other than those described herein, there are no other form of reward bonuses, buyout award nor deferral arrangements in place in view of the lack of ties with Funds performance, thus no further disclosure can be made.

5. GUARANTEED BONUSES / GUARANTEED VARIABLE COMPENSATION

Sygnum does not have a standard practice to include guaranteed bonuses/guaranteed variable compensation. BoD approval is required for exceptional cases.

6. SEVERANCE PAY

In the event of the early termination of an employment contract, the individual concerned will only be entitled to his salary, in accordance with the provisions of the employment contract and the relevant and applicable labor law regime. In particular, no bonus will be granted to any such individual. Where an employee resigns, the employee will still be entitled to his/her PSOP (as defined below) in accordance with the terms of their PSOP agreement.

7. PENSION

SPL makes mandatory contributions (where required) into the Central Provident Fund accounts of employees who are Singapore citizens and Permanent Residents. This is a mandatory social insurance/pension scheme implemented by the Singapore government. No other pension arrangements are in place.

8. EMPLOYEE STOCK OPTION PLANS

Sygnum employees are granted employee PSOP on joining Sygnum as part of the Initial Entrepreneurial Incentive (“IEI”) and these include minimum vesting period arrangements. As mentioned above, a LTSI is also in place for Executive and Managing Directors and a small group of high performing team members at all levels which provides them with additional incentives in the form of additional PSOP, qualification for these LTSI is also based on the assessment of the future potential of the qualifying employees.

9. RESTRICTIONS ON PERSONAL ARRANGEMENTS

All employees are required to adhere to the restrictions stated in SPL’s Compliance Manual and however shall not adopt any arrangement to circumvent the applicable law nor remuneration arrangements set out in the RP.

I. PERFORMANCE EVALUATION CRITERIA

Sygnum has designed its remuneration framework in order to ensure that pay and performance are linked to the contribution of the individual towards the performance of Sygnum (including its departments), and the individual Objectives and Key Results (OKRs) per each personnel. The PSOP has been introduced as well to allow the employee to actively take part in the success or development of the company and to trigger the feeling of commitment and engagement.

The sections below provide an outline of some of the qualitative and quantitative measures taken into account when valuating performance of the personnel, as well as information on the appraisal process of SPL.

Achievement of Quantitative and Qualitative OKRs are evaluated by Line managers with the SGEB overseeing the evaluation outcome. Qualitative OKRs can be assessed based on general performance observed and during the course of employment. Quantitative OKRs can be set based on outcomes (e.g. achievement of quantitative targets). The Quantitative OKRs are set in consultation with individual employees on a yearly basis.

1. QUALITATIVE MEASURES

The metrics by which Qualitative OKRs can be measured include, but are not limited to the following:

- Contribution and effectiveness in tasks performed.
- Technical knowledge
- Alignment to Sygnum’s Values
- Key Strengths
- Attitude and commitment
- Communication
- Seniority and track record
- Leadership
- Compliance with policies, directives and guidelines, including code of conduct;
- Adherence to risk management framework and ethics.

2. QUANTITATIVE MEASURES

The metrics by which Quantitative OKRs could be set can be based on, but not be limited to:

- Performance across certain metrics
- Sales/Net New Monies
- Successful product launches
- Creation/improvement of internal processes

3. APPRAISAL PROCESS

Performance is assessed annually, however, assessments of previous years' performance may be taken into account in the event of negative performance of both SPL and the employee (as the case may be). In this way, SPL ensures that the assessment focuses on long-term, risk-adjusted performance. All personnel are made aware of the applicable appraisal process which shall be properly documented and should be transparent to the member of staff concerned and made available. For the sake of clarity, confidential quantitative aspects of the remuneration of staff members shall not be subject to internal nor external disclosure. Salaries are generally reviewed, where deemed appropriate, on an annual basis unless specific circumstances require otherwise (e.g. talent/key employee retention).

J. DISCLOSURE

1. INTERNAL DISCLOSURE

A copy of this Remuneration Statement, as well as the RP, are made available to all the personnel of Sygnum. Sygnum personnel are informed about the criteria adopted to determine their remuneration.

2. EXTERNAL DISCLOSURE

Without prejudice to the disclosures required under Article 23 of the AIFMD (as applicable), Sygnum will ensure that the required disclosure under the AIFMD, where applicable, in respect of Funds managed and marketed in the European Union, are made available in the annual report published from time to time on Sygnum Bank AG website.

K. REMUNERATION AND RISKS

In addition to the RP, the group has remuneration guidelines that apply across the group including Sygnum. The overarching principles of the incentive guidelines are that a sustainable foundation is more important than large short-term gains and the group follows a guiding principle of a total reward system with focus on conduct and sound risk management practices.

Risk-focused principles are enshrined across all the components of personnel remuneration.

The proposed salaries for new hires in Sygnum Pte Ltd are based on the benchmark of prevailing market rate and balanced with internal parity (refer to Fixed Remuneration indicated in section I3). This will determine the initial Fixed Remuneration and the initial PSOP allocated to the new hires as the IEI.

Salary review is conducted at year end on an annual basis taken into consideration industry benchmarking and performance. Such reviews allow Sygnum to adjust to market conditions accordingly. As mentioned above, a LTSI is also in place for Executive and Managing Directors and a small group of high performing team members at all levels which provides them with additional incentives in the form of additional PSOP, qualification for these LTSI is also based on the assessment of the future potential of the qualifying employees.

The fund pool for Short-Term Incentive payment (I.e. Variable Bonus indicated in section I4.) is pre-defined and recommended by a Strategic Committee to decide (1) How significant the overall short-term incentive pot should be and

(2) Which division belongs to which short-term incentive “assessment template” accounting for Singapore and Switzerland. This will then require the approval of the NCC and BoD.

The Strategic Committee consists of the following members: Chairman of the BoD, NCC chair, CEOs and deputy group CEO as voting members.

Sustainability Risks and RP: As outlined in this Statement and in the RP, the structure of remuneration does not encourage excessive risk-taking with respect to sustainability risks and is linked to risk-adjusted performance. Further information on the integration of sustainability risks in the RP are set out in the AIFMD Disclosure Statement appended to the offering documentation and made available on Sygnum website.

L. IMPLEMENTATION & EXTERNAL REVIEW

The implementation of the RP is, at least annually and, in respect of its first year of application, starting from the date of its approval, subject to central and independent internal review for compliance with policies and procedures for remuneration.