| Type of document: Policy | EMPLOYEE COMPENSATION POLICY | Réf: I-6 May 2016 |
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***Preface***

To protect the Investment Management Company from excessive risk, this policy aims to promote healthy and efficient risk management by avoiding risk-taking that is incompatible with the managed funds' risk profiles, by-laws or constituent documents.

Seven CM's compensation policy is in accordance with the business strategy, objectives, values and interests of its fund managers and managed funds and those of investors and includes measures for preventing conflicts of interest.

This policy stipulates the procedures for determining and paying out the total compensation package allocated by the Top Management for a given financial year to the employees concerned. This package includes both fixed and variable compensation.

The Investment Management Company ensures that its financial situation is not harmed by the total variable compensation awarded for a given year and/or by the variable compensation paid or earned during the year.

The compensation policy has been set up in order:

- to actively support the Investment Management Company's strategy and objectives;
- to support the Investment Management Company's competitiveness on the market on which it operates; and
- to ensure that attractive and qualified employees are provided with further development and retained.

The criteria the Investment Management Company uses to evaluate the performances of the persons concerned are accessible and understandable through this policy.

A paper copy of this compensation policy is available free of charge upon request.

Compensation policy principles are revised regularly and at least annually, and adjusted to regulatory changes. The Top Management of Seven CM also ensures compliance and enforcement.

***Principles***

In accordance with the AIFM and UCITS V directives, Seven CM adheres to the principle of proportionality in implementing this compensation policy on a day-to-day basis.

These rules are drawn up so that total variable compensation awarded is in accordance with the wealth created by Seven CM over the long term. These rules also help align interests between the Investment Management Company and investors in the funds it manages.

Seven CM bases itself on the following principles to prevent risks for the Investment Management Company and its clients:

- the compensation policy is compatible with, and promotes, healthy and efficient risk management and avoids risk-taking that is incompatible with the risk profiles, rules or legal documentation of the SICAV that the Investment Management Company manages;

- the compensation policy is in accordance with the business strategy, objectives, values and interests of the Investment Management Company and the SICAV its manages and with those of investors and includes measures to prevent conflicts of interest;

- the compensation policy is adopted and supervised by the Top Management and Seven CM as part of its supervisory mission. At least once a year, it adopts and reviews the compensation policy's general principles and is responsible for implementing and enforcing them. The tasks mentioned in this point are executed only by senior managers who exercise no executive role within the Investment Management Company concerned and specialise in risk management and compensation systems;

- at least once per year, the implementation of the compensation policy is subjected to a central in-house and independent assessment to verify that it complies with the compensation policies and procedures adopted by the senior management body as part of its supervisory mission;

- personnel working in inspection roles are compensated for meeting the objectives of their roles, irrespective of the performances of the operating sectors that they inspect;

- the total amount of performance-based compensation is set by combining an assessment of the risk-weighted performances of the person and operating unit or SICAV concerned with an assessment of the Investment Management Company's overall results when evaluating individual performances, based on financial and non-financial criteria;

- performances are reviewed on a multi-annual basis adjusted for the investment horizon recommended for holders of funds managed by the Investment Management Company, in order to guarantee that the assessment is indeed based on the SICAV's long-term performances and its investment risks and that the actual payment of performance-based compensation is based on the same period;

- guaranteed variable compensation is awarded only on an exceptional basis, when a new employee is hired and only for the first year of employment;

- a suitable balance is established between fixed and variable components of overall remuneration, with the fixed component accounting for a sufficiently high portion of overall remuneration so that a fully flexible policy can be implemented for the variable portion of remuneration, including the option of paying out no variable portion;

- payments for early termination of a contract correspond to performances achieved over time and are designed to avoid rewarding failure;

- when they are used as a basis on which to calculate the variable components of individual or collective compensation, the measure of performances include an general adjustment mechanism that includes all types of current or future relevant risks;

- variable compensation is paid or earned only if it is compatible with the financial situation of the Investment Management Company as a whole and if it is justified by the performances of the operating unit, the SICAV and the person concerned. The total amount of variable compensation is generally far lower when the performances of the Investment Management Company or fund concerned are poor or negative, taking into account both current compensation and the reductions of payments previously earned, including through financial penalties or recovered sums;

- the pension policy is in accordance with the business strategy, objectives, values and long-term interests of the Investment Management Company and the SICAV that it manages. If the employee leaves the Investment Management Company before retirement, discretionary pension benefits are retained by the Investment Management Company for a period of five years in the form of instruments mentioned in point above. Employees who reach retirement age are paid discretionary pension benefits in the form of instruments mentioned in the point above, subject to a five-year retention period;

- employees are required to pledge not to use personal hedging strategies or compensation or liability insurance to counter the impact of the aligning of risk embodied in its compensation agreements;

- variable compensation is not paid in the form of instruments or methods that facilitate the avoidance of requirements provided in these guidelines.

***Implementing the principles:***

Implementing the aforementioned principles entails the following:

- Identifying employees: for the purpose of fair and consistent treatment, Senior Management has decided to expand the principles of this compensation policy to all Investment Management Company employees;

- Identifying the compensation concerned: the fixed and variable portions of the employee compensation concerned. Dividends received by shareholders or compensation in the form of sharing in the profits of the Investment Management Company are not covered by this policy;

- Defining qualitative and quantitative criteria for awarding variable remuneration;

- Determining and identifying the persons responsible for awarding compensation. Seven CM is responsible for preparing compensation decisions, particularly those that have repercussions on risk and the management of risks of the Investment Management Company.