



Compensation policy

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Circulation of the Procedure

The distribution of procedures, both internally and externally, is the responsibility of General Management.

Operational staff write the so-called "operational" procedures, assisted in this task by internal control. The procedures are then validated by senior management.

Update

Updates to this procedure are made via the Compliant officer, at the request of General Management.

All updates must be validated by senior management. Updates are recorded in the body of the procedure as such; the reference of the procedure bearing the date of modification of the procedure as well as the date of the update. Previous versions with previous references are kept electronically and archived.

Preamble

As a preamble, HOMA CAPITAL SA has established a compensation policy applicable to all employees. The policy thus presented reflects the objectives of corporate governance and ensures in particular that:

- ❖ HOMA CAPITAL SA is in a position to attract, develop and retain efficient and motivated personnel in a competitive international market,
- ❖ Employees benefit from a competitive remuneration and feel encouraged to create value,
- ❖ The interests of shareholders and employees are convergent,
- ❖ The policy aims to ensure sound and effective risk management by setting strict and objective governance rules,

These objectives are clearly communicated to employees.

Corporate governance

HOMA CAPITAL, subject by right to the obligations of AIFM and UCITS 5, has completed the policy put in place to be in conformity with the principles of remuneration described in article 319-10 (FIA) and 321-125 (UCITS) of the AMF General Regulations.

In addition, to ensure that it does not constitute a source of risk for the Management Company, HOMA CAPITAL has implemented the present policy, which aims to promote sound and efficient risk management by not encouraging risk-taking that is incompatible with the risk profiles or the constitutive documents of the funds managed by HOMA CAPITAL.

HOMA CAPITAL's compensation policy is consistent with the economic strategy, objectives, values and interests of the funds managed or those of the investors, and includes measures to avoid conflicts of interest.

Thus, the present policy specifies the methods for determining and paying the total remuneration package allocated by the Management for a given financial year to the employees concerned, this total package including fixed and variable remuneration.

The remuneration policy has been put in place in order to:

- ❖ Actively support the strategy and objectives of the Management Company,
- ❖ Support the competitiveness of the Management Company in the market in which it operates,
- ❖ Ensure the attractiveness, development and retention of motivated and qualified employees.

It is agreed by the Management that all employees of HOMA CAPITAL must be informed, in advance and in a clear manner, of the qualitative and quantitative criteria that will be used to determine the amount of their remuneration, as well as the stages and timetable for the evaluation of their performance.

Identifying employees

HOMA CAPITAL has carried out an evaluation of its personnel and has thus determined which employees are targeted by the present policy. It was decided that employees who do not have a significant impact on the risk profile of the Management Company or the funds managed (marketing activities and management and accounting assistance) are not covered by this policy.

This policy therefore mainly concerns senior managers, financial managers and management assistants, the risk controller, employees in charge of development, the compliance and internal control manager (RCCI) and commercial functions.

In addition, in the case of delegation of financial management to a third party management company, HOMA CAPITAL will ensure that the delegatee has put in place a policy of remuneration of employees that is proportionate to its organization and activities.

Founding principles of the compensation policy

In accordance with the regulatory provisions of the UCITS V Directive and the AIFM Directive, HOMA CAPITAL has implemented principles, applying a principle of proportionality for their practical application, which it intends to respect under its present remuneration policy.

Indeed, the variable part of the remuneration of HOMA CAPITAL employees may not exceed 200,000 euros.

These rules are designed to ensure that the level of total variable remuneration awarded is in line with the wealth created by HOMA CAPITAL over the long term, and that these rules also allow for an alignment of interests between the Management Company and the investors of the funds managed by HOMA CAPITAL.

The remuneration policy of the Management Company is based on the principles detailed in the following points, allowing to prevent risks for the Management Company and its subscribers:

Principle n°1 : The fixed part of the remuneration represents the majority proportion of the total remuneration paid, which is not related to the performance of the funds managed. The remuneration policy implemented by HOMA CAPITAL is coherent and promotes effective risk management, i.e. it does not encourage in any way a risk-taking that would be incompatible with the risk profiles, the regulations or the constitutive documents of the funds managed. In order to take this dimension into account, an exceptional bonus may be received by the categories of personnel concerned, which

takes into account the achievement of personal, qualitative and quantitative objectives, set jointly and annually with the Management Company, and does not take into account the performance achieved by the funds under management.

Principle n°2 : HOMA CAPITAL mainly seeks to give its staff a competitive salary compared to the market. This includes a fixed salary, social security coverage and an exceptional bonus. The remuneration paid by the Management Company aims to ensure the adequacy between the remuneration and the strategy and objectives of the managers. With the stated objective of reducing the risk of conflict of interest to its simplest expression, HOMA CAPITAL provides for the payment of the remuneration of the personnel concerned (including the General Management), essentially in the form of a fixed salary. Each year, the Board of Directors votes on a collective bonus package, and it is up to the General Management to distribute it among the employees, depending on the achievement of their objectives and results.

Principle n°3 : Employee compensation is not linked to changes in the performance of the funds under management. The competitiveness of the employee's salary in relation to the market, the achievement of his or her objectives and the level of consolidated results achieved are taken into account in determining the salary (fixed and exceptional bonus). The evaluation of the employee's performance is established within a multi-year framework, independent of the life cycle of the funds under management, but closely linked to the values and skill requirements.

Principle n°4 : The amount allocated to all variable compensation for employees is defined according to the overall results of the Management Company: variable compensation, including the deferred portion, is paid or earned only if it is compatible with the financial situation of the Management Company as a whole and if it is justified by the performance of the operational unit, the fund and the individual concerned. It does not constitute a right and is set each year in accordance with the compensation policy for the year in question and the governance principles in force. The objectives will be set individually and/or collectively and on the basis of qualitative and quantitative criteria. They are discussed and validated directly with the employee concerned and General Management. In the event of zero or negative results, no variable compensation package will be set up, and the criteria for allocating a portion of this package to each employee will therefore not apply.

Principle n°5 : The practice of guaranteed bonus is forbidden in order to make possible negative adjustments in case of poor collective performance. If HOMA CAPITAL were to consider granting a guaranteed bonus, this specific variable compensation would only concern newcomers and would be limited in time (one year maximum).

Principle n°6 : The employment contracts of the categories of employees concerned do not provide for indemnities linked to the early termination of a contract.

Principle n°7 : Each year, HOMA CAPITAL's General Management defines with each member of the staff involved in the control functions, the objectives or specificities related to their functions, independently of the performance of the funds managed.

An annual meeting between the employee and his or her supervisor is organized to evaluate the performance achieved and to set objectives for the following year. Employee performance is determined by measuring the achievement of previously set personal objectives using an evaluation grid included in the annual appraisal interview, and does not include any element related to current or future risk-taking.

Principle n°8 : In accordance with the principle of proportionality, the body that supervises the remuneration of senior risk management and compliance functions is General Management.

Principle n°9 : The employees concerned are prohibited from using individual hedging or insurance strategies in terms of compensation or liability that would limit the scope of the risk alignment provisions contained in their compensation package. HOMA CAPITAL France does not have a pension policy.

Principle n° 10 : In accordance with the principle of proportionality, HOMA CAPITAL chooses to exempt itself from the implementation of the principle:

- ❖ Of paying compensation in the form of units of the funds under management,
- ❖ Deferral of remuneration,
- ❖ Retention of the remuneration.

Remunerations concerned

It is recalled that HOMA CAPITAL will take care to preserve a healthy financial situation. Thus, the Management Company ensures that its financial situation is not adversely affected by the overall variable remuneration awarded for a given year and/or by the variable remuneration paid or earned during the year.

Dividends or similar distributions received by shareholders as owners of units or shares of the Management Company are not covered by this policy insofar as they do not have a significant effect leading to a circumvention of the applicable regulations.

Similarly, remuneration in the form of profit-sharing of the Management Company does not fall within the scope of this policy.

The following are also excluded from the remuneration policy as they do not have an incentive effect on risk management:

- ❖ Company Savings Plan (PEE), Inter-company Savings Plan (PEI) and Group Retirement Savings Plan (Perco),
- ❖ "Article 39" supplementary pension plans,
- ❖ The "Article 83" pension contract.

The Management Company does not offer remuneration in the form of carried interest.

- ❖ The policy therefore applies to the following cash remuneration:
- ❖ The fixed part of the remuneration of the employees concerned,
- ❖ The variable part of the remuneration of the employees concerned.

Compensation is individual and negotiated at the time of the employment contract by General Management. It may be revised according to the development of the employee and of the Management Company, within the limits set by the global remuneration policy.

Criteria for granting variable compensation

Quantitative criteria are defined by regulation as the numerical or financial data used to determine the compensation of a person concerned.

For example, this could be the value of the instruments sold, the volume of sales achieved, sales targets or the number of new clients, etc.

Qualitative criteria are defined by regulation as criteria other than quantitative criteria. They may also include numerical or financial data used to evaluate the quality of the performance of the person concerned and/or the quality of the service offered to customers, such as the return on customer investments, a very low number of complaints over a long period, etc..

Identity of the persons responsible for the allocation of remuneration.

The remuneration policy is based on the internal organization of HOMA CAPITAL, the long-term strategy of the Management Company as well as on the objectives defined with each member of staff individually, during an Annual Appraisal Meeting.

At the end of these individual interviews, the Board of Directors of HOMA CAPITAL holds a committee to determine the amount of the variable part and any bonuses paid to employees.

The Board of Directors is responsible for the preparation of decisions regarding remuneration, those that have repercussions on the risk and risk management of the Management Company and the funds under management.

In accordance with the principle of proportionality, the body that annually supervises the remuneration of the Executive Board is the Board of Directors. This remuneration is reported to the General Meeting for information.

Consideration of sustainability risk in compensation policy

The European Parliament and the Council have adopted Regulation (EU) 2019/2088 "on sustainability disclosures in the financial services sector" known as "SFDR". This one, notably within its article 5, requires that financial market players and financial advisors include in their remuneration policies "information on how these policies are adapted and are consistent with the integration of sustainability risks".

HOMA CAPITAL has thus reviewed its remuneration policy, which now considers "sustainability" criteria in its part relating to the variable remuneration of employees. The objective of this update was to reinforce the promotion of sound and effective risk management with regard to sustainability risks, in accordance with the entity's risk management strategy, risk profile, objectives, management practices and long-term results.

This compensation policy provides that:

- ❖ The components of fixed and variable remuneration are balanced so that the fixed component represents a sufficiently high proportion of total remuneration to prevent employees from being overly dependent on the variable component;
- ❖ The respect of a balance between fixed and variable remuneration is guaranteed, as well as the performance criteria used to calculate the variable remuneration.

Collective and individual objectives related to the scope of each function:

- ❖ Development and/or marketing of products promoting ESG characteristics, classified as "Article 8" according to the SFDR regulation, (marketing)
- ❖ Development and/or marketing of products with the objective of sustainable and responsible investment, classified as "Article 9" according to the SFDR regulation, (marketing)
- ❖ Integration of the rules of the SFDR regulation and respect of the calendar, (compliance)
- ❖ The regularity and quality of the monitoring and development of sustainability risk indicators, environmental impact measurement and ESG criteria,
- ❖ The management of these sustainability risks through the implementation of a responsible commitment, (risk management)
- ❖ Implementation and integration of the "sustainability" principle within the range of funds and monitoring of compliance with the funds' sustainability commitments (risk management)
- ❖ Integration and respect of regulatory constraints, ratios, compliance rules, ESG policy (management)
- ❖ Integration of sustainability risks in investment decisions and monitoring of the guidelines set (management)



HOMA CAPITAL provides, free of charge and upon written request, a complete copy of its compensation policy.