

# Remuneration Policy

Anthos Fund & Asset Management



### General

Anthos Fund & Asset Management ('Anthos') has a carefully considered, managed and sustainable remuneration policy that complies with the applicable legal requirements for financial institutions. This policy is designed to avoid and combat undesired and irresponsible incentives in employee remuneration and is the result of a careful risk assessment. The policy is in line with our strategy, our limited risk appetite and our objectives. Thanks to this remuneration policy we are able to attract, motivate and retain talent and to reflect and respond effectively to clients' interests and market developments.

### Legal and supervisory framework

The remuneration policy is based in part on the requirements applying to variable remuneration for managers of alternative investment funds, as set out in the Directive on Alternative Investment Fund Managers ('AIFMD') and the European Securities and Markets Authority's Guidelines on sound remuneration policies under the AIFMD ('ESMA Guidelines'). Since 1 December 2015 Anthos has been exempt from the requirement to set a maximum for variable remuneration ('bonus ceiling'), as provided for in Article 1:121(1) of the Financial Supervision Act [Wft]. As a financial institution, however, it has to apply the other provisions on remuneration policy in this legislation. These provisions are generally in line with the remuneration rules in the AIFMD.

### Scope of the remuneration policy

Our remuneration policy applies to the remuneration of all Anthos employees. It also applies to all forms of remuneration that Anthos pays to its employees. Anthos does not have any lucrative interest schemes or carried interest arrangements.

### Governance

In view of the limited size and modest complexity of our organisation, and for reasons of proportionality, we do not have a formal remuneration committee. The amount of variable remuneration payable is determined on the basis of what has been agreed in respect of governance, including in the consultations with the relevant positions, HR, Risk Management, Legal and Compliance.

### Employee categories

Anthos divides its employees into four categories:

- Identified Staff in senior management positions (i.e. directors under the Articles of Association and members of the Management Team);
- Identified Staff not in senior management positions (i.e. portfolio managers responsible for the investment policy in one or more investment portfolios and who can materially influence the risk profile of Anthos or its investment funds);
- Identified Staff in a control or monitoring position;
- Other employees.

### Remuneration in each employee category

#### Identified Staff

The total remuneration package for Identified Staff consists of:

- a fixed gross annual salary (including fixed bonuses);
- variable remuneration;
- a pension scheme;
- other compensation and benefits.

## Remuneration Policy

The fixed gross annual salaries of Identified Staff are high enough to be considered sufficient remuneration for the professional services provided, taking account of aspects such as the employee's level of education and experience. In some cases, the variable remuneration may be zero. The total remuneration package is subject to regular external checking to ensure that it remains in line with the market and that we can continue to attract and retain talent.

### Management

One of our board members receives variable remuneration for activities performed for Anthos. This variable remuneration amounts to a maximum of 40% of the individual's total remuneration and is based on performance agreements. At least 50% of the performance objectives agreed with this individual are qualitative. The remuneration received by board members is fixed and sufficient for all the professional services that these individuals provide for Anthos. Our CEO's remuneration is set by the board chairman of our ultimate shareholder, COFRA Holding AG, and meets the requirements set in this remuneration policy. The proposal for remuneration of the members of the Anthos board is subject to the prior approval of Anthos' Supervisory Board.

### Identified Staff not in senior management positions

Since 2020, a revised Incentive Plan, agreed with the portfolio managers of both the alpha-generating and non-alpha-generating investment funds, has applied.

### Identified Staff in control or monitoring positions

The performance criteria applying to Anthos employees in control or monitoring positions are generally job-specific. Where any performance targets are of a financial nature, these targets are not based on the financial results of the department or team that the Anthos employee is responsible for monitoring. The remuneration of Anthos employees in control or monitoring positions is fixed. The fixed remuneration of Anthos employees in such positions is, in itself, sufficient to allow us to recruit and retain sufficient numbers of qualified employees. This remuneration does not depend on the performance of the business units that these individuals monitor.

### Other employees

Other Anthos employees' remuneration consists of a gross fixed annual salary, an expense allowance and possibly a company car. Details of any additional compensation and benefits, such as a pension scheme and other forms of remuneration, are set out in the employee handbook. The gross fixed salary may be adjusted each year in response to inflation and/or individual salary increases awarded as a result of the annual performance appraisal. Each year, employees also receive a holiday allowance and a thirteenth month's payment. Depending on their job, some employees may also be eligible for variable remuneration. Agreements on employees' variable remuneration are individual agreements and are recorded in writing. The board is responsible for awarding variable remuneration. No variable remuneration is paid on an incidental basis, except with the Anthos board's permission.

Remuneration of other employees consists of:

- a fixed gross annual salary (including fixed bonuses);
- variable remuneration;
- a pension scheme;
- other compensation and benefits.

In exceptional cases, individual employees may receive a market-related bonus. Each year, a limited number of employees are eligible for discretionary variable remuneration, amounting to a maximum of 40% of their gross fixed annual salary, if they achieve or exceed their annual objectives. The board determines the extent of any reductions in such remuneration. Variable remuneration paid to other Anthos employees is paid fully, directly and unconditionally in cash.

### Performance criteria

In the case of all our employees, any variable remuneration payable is performance-based. Appraisals of personal performance take financial and non-financial criteria into account; non-financial criteria must account for at least 50% of the appraisal. Wherever possible, any financial criteria applied will be relevant to the position held by the individual at Anthos. However, it is also possible for all the criteria to be non-financial criteria.

We consider the following non-financial criteria:

- Contributing to achieving strategic goals;
- Implementing responsible investing policy;
- Performing substantive tasks that go beyond what is considered good performance;
- Contributing to retaining and improving client satisfaction;
- Avoiding exceeding a mandate;
- Complying with risk management policy;
- Integrity;
- Complying with internal and external rules;
- Nature and extent of operational incidents;
- Collaborating with other people and business units and motivating staff;
- Other.

Performance-related objectives do not include any incentives that would encourage staff to take irresponsible risks. The board decides, during the annual performance management cycle, whether to pay any variable remuneration. The variable remuneration proposed by managers for Identified Staff is discussed by the Anthos board, with account being taken both of the individual and of the need to ensure an overall balance.

### Ex-post and ex-ante risk analysis

When the performance of Identified Staff is assessed for the purposes of calculating variable remuneration, an adjustment may be made to take account of current and future risks. Three months before deferred variable remuneration becomes unconditional, the Financial Risk Officer conducts an ex-post risk analysis. This takes account of the actual outcomes of risks taken by the Identified Staff and reassesses the objectives achieved. The results of this analysis provide input for applying a possible fairness test and for deducting any amounts ('clawback') from the conditional payment awarded. The board may adjust the amounts payable, based on an ex-ante risk analysis carried out by the Financial Risk Officer before the variable remuneration is paid. This analysis will take account of advice by HR, which is given after receiving advice from the Financial Risk Officer, Compliance and Internal Audit. The entire process is monitored by HR. A representative of HR will be involved in the discussions with Anthos board members.