REMUNERATION POLICY

Amagis Capital Management Ltd

Approved by	Board of Directors
Prepared by	Paul Magro Remuneration Officer
Date of Introduction	11th April 2014
Date of Last Review	13th January 2023

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On behalf of the Board of Directors of
Amagis Capital Management Ltd

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Dr Paul Magro
Remuneration Officer
Amagis Capital Management Ltd

1 INTRODUCTION

This document (the "**Policy**" or the "**Remuneration Policy**") sets out the remuneration policies and practices that Amagis Capital Management ltd (C63765) (the "**Company**" or the "**Investment Manager**" or the "**AIFM**") has adopted in terms of the applicable law.

As at the date of this document, the Company holds a License issued by the MFSA as Alternative Investment Fund Manager and UCITS Management company in terms of Article 6 of the Investment Services Act (Cap. 370 of the laws of Malta) and its subsidiary legislation thereof.

The objective of this Policy is to establish, implement and maintain remuneration policies, procedures and practices that support the Company's business objectives and corporate values, including promoting sound and effective risk management, by attracting, retaining and motivating the key talent to achieve its objectives. Furthermore, the Company, due to the scale and lack of complexity of its business will not establish a remuneration committee; or apply the pay-out process rules.

This will be reviewed in the event of material changes to the current set up of the Company.

Capitalised terms shall bear the meaning assigned to them in the relevant constitutional document of the Company unless otherwise provided hereto.

2 SCOPE OF THE REMUNERATION POLICY

Article 13, Article 22(2)(e) and (f) and Annex II of the AIFM Directive introduce remuneration provisions with the aim of ensuring that remuneration and incentive structures in AIFMs (and self-managed AIFs) do not induce excessive risk-taking and are disclosed appropriately. Similar provisions have also been introduced regulating remuneration in Articles 14a and 14b applicable to UCITS Management Companies (and self-managed UCITS) pursuant to the UCITS V Directive.

Management companies should identify the identified staff, according to these guidelines and any other guidance or criteria provided by competent authorities. Management companies should be able to demonstrate to competent authorities how they have assessed and selected identified staff.

In order to be considered "identified staff", personnel must be either:

- senior management;
- risk takers and portfolio managers;
- control functions, i.e staff other than senior management that is responsible for Risk Management, Compliance, Internal Audit, Administration, Marketing, Human Resources and other relevant functions who receive total remuneration that takes them into the same remuneration bracket as senior management and risk takers;

It is important to highlight that, in line with the MFSA's Guidance to the Financial Services Industry on the Application of the Proportionality Principle in Relation to the ESMA Guidelines on Sound Remuneration Policies under the UCITS directive and the AIFMD, only staff of the AIFM and the UCITS manager can be considered identified staff. When a UCITS Management Company or AIFM delegates any functions of portfolio management or risk management should ensure that either: (a) delegation is carried out to entities which are subject to regulatory requirements on remuneration that are equally as effective as those under these guidelines; or (b) appropriate contractual arrangements are put in place to ensure there is no circumvention of the remuneration rules.

Such remuneration policies are applied to and inclusive of salaries and discretionary pension benefits. All remuneration can be divided into two categories:

- Fixed remuneration: Example, payments or benefits without taking into consideration any performance criteria; or
- Variable remuneration: additional payments or benefits which depends on performance or other contractual criteria.

Both of these categories may include monetary payments in the form of cash, shares, pension contributions etc., or non (directly) monetary payments such as discounts, fringe benefits, or special allowances for car and mobile services amongst others. The Investment Manager must comply with the principles set out in the AIFMD when applying remuneration, and in such a way that is proportionate and appropriate to their size, internal organization, and the nature, scope and complexity of their organization and activities.

The Company shall avoid creating any incentive for employees to take any inappropriate risks and in general all remuneration-related decisions are approved by the Board; indeed, currently the Company only pays fixed remuneration to its employees.

3 RISK MANAGEMENT AND RISK TOLERANCE

It is the Company's policy to promote sound and effective risk management and to discourage risk-taking that exceeds the level of tolerated risk of the Company. As such the Company shall maintain:

- Strong disclosure practices, which provide investors with the information they need to determine whether to invest in a fund, to monitor their investment and to make a decision whether to redeem their investment, based on the risk profile of the investment strategy;
- Robust valuation policies and procedures to provide for clear and consistent valuations of the investments in the funds' portfolio, with independent oversight provided by the funds' Board or other governing body, third party administrators, independent auditors;
- Comprehensive risk management processes to measure, monitor, report and manage risk, including stress testing of the portfolio and liquidity risk management;
- Sound operational and regulatory systems and controls; and
- A strong culture of compliance sponsored by Senior Management with specific practices to address conflicts of interest.

Due to the volatile nature of the financial market, and the sensitivity of the investors to both risk and performance, the Company strives to achieve a fair balance between risk and reward. This balance has to be reflected in the Company's risk management and remuneration policy. The Company shall avoid managing portfolios which become systemically important as this might bring additional risks that the Company could not be in a position to manage as their determination is outside the control of the Company.

As such the Company shall not operate risk policies which may result in mirroring the risk profile of other investment pools, or being involved in investment propositions which result in the strategy being operated in line with a group of other managers which may result in a policy having a systemic impact on the market.

The Company shall align its remuneration policies with its risk profile which attempts to be diversified against the market.

The Remuneration Policy shall be in line with the business strategy, objectives, values and long-term interests of the Company and its investors. The Company's business objective is to provide investors with positive returns within a reasonable risk profile that protects their assets from significant falls in the market.

The Company operates management fees, performance fees and high-water marks.

This means that it is expected that the manager will cover its costs even during poor performance having a sufficient income to be able to look after the assets during adverse market conditions.

The Company considers its wind down process as part of its Internal Capital Adequacy Assessment process to ensure that it would take such steps to protect the assets before it runs out of resources. The performance fees accrue only once the funds under management earn positive returns for investors and there are high watermarks.

Absolute returns promised are only rewarded when achieved.

In order to achieve his performance objectives, the Company needs to attract appropriate talent which creates a balance of risk takers and risk management. As such the Company needs to provide some flexibility and retain confidentiality in respect of some of the terms it introduces.

However, these terms are appropriate and respect the principles in this policy. In line with its business objectives, the Company needs to manage its fixed costs against this background and ensure that any variable costs are only payable once actual performance targets are achieved.

4 AVOIDING CONFLICTS OF INTEREST

The Company considers all conflicts within its Conflicts of Interest Policy. This requires the Company to review potential conflicts of interest on a regular basis.

Conflicts of interest involve a failure by the Company to act in the best interests of its clients and will typically involve a material risk of damage to the interests of any client. Either the Company (and connected persons) may gain a benefit at the expense of a loss or disadvantage to a client; or one client may gain a benefit at the expense of a loss or disadvantage to another client. When assessing a potential conflict of interest, the Company must consider whether it:

- Is likely to make a financial gain, or avoid financial loss, at the expense of the client;
- Has a distinct interest in the outcome of the service provided to the client or of a transaction carried out on behalf of the client;
- Has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client;
- Carries on the same business as the client; or receives, or will receive, from a person other than the client an inducement in relation to the service provided to the client, in

the form of monies, goods or services, other than the standard commission fee or fee for that service.

Individuals may act unfairly between clients if their remuneration structure encourages them to favour one fund over another. The Company ensures fair treatment of clients by having an investment policy and ensuring that it adheres to that policy; investment opportunities are allocated in line therewith.

The Company aligns its interests with the interest of its clients by the operation of this policy. Senior Management's holdings in the funds align their interests with that of investors. Furthermore, remuneration is designed to ensure return is achieved in line with risk management. The long-term objectives of the Company and the clients are to achieve absolute returns throughout the life time of the funds. Therefore, the objective of long-term returns aligns the interests of both parties.

The Company also operates a high-water mark to ensure such long-term alignment.

Finally, the Company has a Conflicts of Interest Policy to avoid undue influence on the trade allocation process.

5 GOVERNANCE

The Remuneration Officer appointed by the Board of Directors of the Investment Manager is Dr. Paul Magro. The Company, based on its size, internal organization and the nature, scope and complexity of its activities, has been granted derogations from the establishment of a Remuneration Committee and the Pay-Out Process Rules.

Upon the occurrence of material changes to the current structure of the Company which would trigger the requirement to establish a Remuneration Committee, a separate Remuneration Committee shall be established.

The basis for the derogations refers to the MFSA Remuneration Guidelines issued on 31 January 2017 on the grounds of proportionality, namely due to:

(i) Size – AUM leveraged assets <Euro 1.25 billion
(ii) Internal Organization – multiple but simple legal structures, simple internal fund manager governance, limited fund public listings, segregation of duties via delegation to independent third-parties;
(iii) Nature, scope and complexity of activities – multiple but clearly structured activities, no high-risk (emerging and frontier markets) or complex fund strategies & products, well-defined risk restrictions, high-quality risk management; and.
(iv) Remuneration - No employee has either variable remuneration exceeding 50% of total remuneration, or total remuneration exceeding €500k.

The Remuneration Officer verifies that any variable or fixed remuneration is in line with the principles of such document, if needed he is authorised to appoint another Director of the Company to represent him at meetings. He is responsible for the oversight whilst the board is responsible for the setting of the approval and maintenance of the remuneration policy.

Furthermore, all the partners, employees and secondees by signing this document, acknowledge and agree that they have read and understood the remuneration policy and are compliant with its principle

Year-end evaluation process

The Company operates a year end evaluation process. The board of Directors together with the Company's CEO and the Remuneration Officer should take in consideration the performance of the individual considering the contribution related to the function performed (investment management, sales & distribution, analyst or control function), the seniority of the role and the relative performance to the peer group. Other non-financial metrics will be considered such as effectiveness, attitude and commitment, communication ability to carry out functions without supervision, fit and proper test for approved persons and the compliance to the Company policies and procedures.

Compensation recommendations for all the Company's identified employees will ultimately be reviewed by the Board prior to communication.

The amount of total compensation shall be considered after reviewing:

- Overall Funds' Performance
- Overall Company Performance
- Performance of the individual and performance of each team
- Market "value of the seat"
- Compliance to the internal policies and procedure

A yearly performance appraisal for the identified staff may be held by the CEO and the Remuneration Officer as outlined above.

A change in the total remuneration is only affected when the Company capital resources requirements have been satisfied and need to satisfied the liquidity and capital stress testing periodically performed by the company.

Staff engaged in control functions are compensated in accordance with the achievement of the objectives linked to their functions and independently of the performance of the business areas that they control.

6 PENSION POLICY

The Company does not operate a company pension scheme.

7 AVOIDANCE OF REMUNERATION CODE

The Company will not pay remuneration through any vehicles or methods that will facilitate the avoidance of the Remuneration's Policy.

8 REMUNERATION STRUCTURES

As mentioned in Section 5, individuals are reviewed based on their contribution to the overall strategy, which is assessed on an annual basis, taking into account their contribution to investment generation, investment trading, sales and marketing and operations, but the Company's ability to maintain competitive salaries is based on the performance of the Funds it manages. With respect to the remuneration structure, the following elements shall be taken into account:

(a) Guaranteed Bonuses: The Company does not award, pay or provide guaranteed variable remuneration.
(b) Reward Bonuses: is paid only if it is sustainable according to the financial situation of the AIFM as a whole, and justified according to the performance of the business unit, the AIF and the individual concerned provided that staff engaged in control functions are compensated in accordance with the achievement of the objectives linked to their functions, independently of the performance of the business areas that they control.
(c) Deferral of Annual Discretionary Bonuses. The company has been granted derogation of the payout process.
(d) Buy-Out Awards: Buy-out awards will only be offered exceptionally and will reflect the amount and terms (including any deferral or retention periods) or the variable remuneration awarded or offered by the individual's previous employer.

(e) Severance: Severance pay is at the Company's absolute discretion, unless contractually defined. Any payments related to early termination of contracts or retirement from employment will reflect performance achieved over time and will be designed in a way which does not reward failure. Severance packages for employees and any material severance payments are subject to the approval of the Board.
(f) Enhanced Pensions. The Company does not provide any enhanced pension benefits to employees.

9 PERSONAL HEDGING

In order to ensure the effectiveness of risk alignment, staff members should not buy an insurance contract which compensates them in the event of a downward adjustment in remuneration. As a general rule, however, this would not prohibit insurance designed to cover personal payments such as healthcare and mortgage instalments (provided that the mortgage coverage concerns health-related circumstances that would render the staff member unable to work in an equivalent position), although each case should be judged on its merits.

Employees must not use personal hedging strategies or contracts of insurance relating to remuneration which could undermine the risk alignment effects embedded in their remuneration arrangements. Employees will be required to undertake on an annual basis that they will not use such personal hedging strategies/insurance. Breach of this undertaking and/or the use of such personal hedging strategies/insurance may constitute gross misconduct and will render the individual liable to immediate removal from employment, without notice or payment in lieu. The Company will review on an annual basis the personal account dealing records of employees to ensure that employees are not using personal hedging strategies in breach of their undertakings.

10 TRANSPARENCY / EXTERNAL DISCLOSURE

The Company will disclose the total amount of remuneration for the financial year, split into fixed and variable remuneration, paid to its employees, indicating the number of beneficiaries and, where relevant, performance fees paid by the Funds. The disclosure will indicate:

1 Total remuneration of the identified employee, indicating the number of beneficiaries;
2 Total remuneration of those employee who are fully/partly involved in the activities of the Fund indicating the number of beneficiaries;
3 The proportion of the total remuneration of the employee attributable to the Fund and

the number of beneficiaries (pro rata allocation).

The annual report must also disclose the aggregate amount of remuneration of senior management and members of employees of the Company "whose actions have a material impact on the risk profile of the Fund". The remuneration disclosure will also be made in the annual report of each Fund managed by the Company, where applicable (i.e. an allocation of the Company's remuneration to the Fund insofar as this information exists or is readily available, including a description of how the allocation has been provided).

This Policy shall furthermore be made available to clients.

11 BREACHES OF THIS POLICY

Any significant breach of this policy or proposed changes to the policy that could have a significant impact on the Company's risk profile or resources will be promptly notified to the MFSA in accordance with the applicable law.

12 SUSTAINABLE FINANCE DISCLOSURES REGULATIONS ("SFDR")

The Company views its remuneration policy to be consistent with the integration of sustainability risks. Indeed, there is no component of the Company's remuneration structure which is geared towards creating an incentive or bias towards excessive risk taking to the detriment of environmental, social or governance matters and/or sustainability generally ("**ESG Factors**"). Also, the Company's remuneration structure has been designed to:

(i) align our incentives as manager with investors' long-term interests and the long-term success of the portfolios the Company manages; and

(ii) to promote a sound and effective risk management culture to protect value, in both cases, without any incentive or bias towards risk taking which could have a material impact on ESG Factors.

13 REVIEW

This Remuneration Policy and its general principles will be reviewed at least annually by the Board of Directors of the Company, in collaboration with its Remuneration Officer, provided that such review shall be undertaken only by the members of the management body who do not perform any executive functions in the AIFM and who have expertise in risk management and remuneration. However, if the business maturity allows it, the Investment Manager may decide to review such policy even before the annual interval expires.

The implementation of the Remuneration Policy is, at least annually, subject to central and independent internal review for compliance with policies and procedures for remuneration adopted by the management body in its supervisory function.

All potential amendments that may be made to this Remuneration Policy in the future will need to guarantee that:

- As result of the proposed amendments, this Remuneration Policy and/or its implementation will not result into any breach of the applicable law;
- The Policy remains in line with the business strategy, objectives, values and interests of the AIFM and the AIFs it manages or the investors of such AIFs, and includes measures to avoid conflicts of interest;

- where remuneration is performance related, the total amount of remuneration is based on a combination of the assessment of the performance of the individual and of the business unit or AIF concerned and of the overall results of the AIFM, and when assessing individual performance, financial as well as non-financial criteria are taken into account;
- guaranteed variable remuneration is exceptional, occurs only in the context of hiring new staff and is limited to the first year;
- the variable remuneration, including the deferred portion, is paid or vests only if it is sustainable according to the financial situation of the AIFM as a whole, and justified according to the performance of the business unit, the AIF and the individual concerned.

The amount of management fees paid by the Company to Abraxas Capital Management Ltd is part of the sub-investment agreement contract signed by and between the aforesaid parties.

Appendix A - Identified Staff

Name	Roles	Reason	Involved with sub-funds	% of total comp paid by sub-funds	Material impact on the sub-funds
Guido Miani	Director	Senior manager and risk taker	Y	0%	Y
Giulio Stasi	IC Member and MLRO	Senior manager and control function	Y	0%	Y
Andrea Angelone	IC Member	Senior manager and risk taker	Y	0%	Y
Simone Russo	CEO	Senior manager	N	0%	N
Antonio Giannino	CRO & CO	Senior manager and control function	Y	0%	N
Giovanni Artese	Valuation Officer and Internal Audit	Control function	Y	0%	N
Giorgio Carrara	Portfolio Manager	Risk taker	Y	100%	Y
Andrey Khamalinsky	Portfolio Manager	Risk taker	Y	0%	Y

Appendix B
Revision History Log

Version	Section	Description of Amendments	Date Amended	Date Approved	Preparer	Reviewer
1	General	Finalisation of the document	04/2014	25/11/2014	Milo Guastamacchia	Board of Directors
2	General	Annual review with no changes	10/2015	20/10/2015	Milo Guastamacchia	Board of Directors
3.1	1	Insertion of ESMA Guidelines	02/2016	25/02/2016	Giulio Stasi	Board of Directors
3.1	4	Replacement of Fredric Villa with Paul Magro as Remuneration Officer	02/2016	25/02/2016	Giulio Stasi	Board of Directors
3.2	4	Insertion Specific Terms	06/2016	15/06/2016	Andrea Angelone	Board of Directors
4.1	General	Overall review with the policy with several changes	01/2017	15/01/2017	Andrea Angelone	Board of Directors
4.2	General	Annual review with no changes	06/2017	12/06/2017	Antonio Giannino	Board of Directors
5.1	9	No personal hedging and Antonio Giannino as Identified Personnel	07/2018	09/07/2018	Antonio Giannino	Board of Directors
5.2	1	Details on Amagis Capital Management Ltd	11/2018	16/11/2018	Antonio Giannino	Board of Directors

5.2	5	No Remuneration Committee	11/2018	16/11/2018	Antonio Giannino	Board of Directors
5.2	8	Control functions remuneration	11/2018	16/11/2018	Antonio Giannino	Board of Directors
5.2	12	Periodic review from an independent director	11/2018	16/11/2018	Dr Paul Magro	Board of Directors
6	General	Insertion of Revision History Log	04/2019	13/05/2019	Dr Paul Magro	Board of Directors
6	5	Replacement of the HR Function with the Remuneration Officer	05/2019	13/05/2019	Dr Paul Magro	Board of Directors
7	Appendix A	Addition of Andrea Vianelli as control function	10/2020	22/10/2020	Dr Paul Magro	Board of Directors
7	5	Insertion of the role of the CEO for the appraisal	10/2020	22/10/2020	Dr Paul Magro	Board of Directors
7	12	Replacement of Amagis Capital Partners LLP with Abraxas Capital Management Ltd	05/2019	22/10/2020	Dr Paul Magro	Board of Directors
8	Appendix A	Insertion of Portfolio Managers	10/2021	12/10/2021	Dr Paul Magro	Board of Directors
9	Appendix A	Insertion of	04/2022	16/08/2022	Dr Paul Magro	Board of Directors

		Portfolio Managers				
10	Section 12	Insertion of section 12 and updated of Appendix A	01/2023	13/01/2023	Dr Paul Magro	Board of Directors