

PIRAEUS ASSET MANAGEMENT EUROPE S.A.

Remuneration Policy of Piraeus Asset Management Europe S.A.

1. Preamble

This remuneration policy (the "**Policy**") purports to fulfil the requirements of Article 111ter of the amended Law of 17 December 2010 on undertakings for collective investment (the "**2010 Law**").

It has been approved by the conducting officers of Piraeus Asset Management Europe S.A. (the "**Management Company**") and by the board of directors of the Management Company (the "**Board**").

Pursuant to Article 111bis of the 2010 Law, management companies authorised pursuant to Chapter 15 of the 2010 Law shall establish and apply remuneration policies and practices that are consistent with, and promote, sound and effective risk management and that neither encourage risk taking which is inconsistent with the risk profiles and the funds rules of the undertaking for collective investments that the Management Company is managing (the "UCITS") nor impair with the Management Company's duty to act in the best interest of the UCITS.

The remuneration policies and practices shall include fixed and variable components of salaries and discretionary pension benefits.

The remuneration policies and practices shall apply to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers whose professional activities have a material impact on the risk profiles of the UCITS.

2. Identified staff

This Policy applies to the following categories of staff (the "**Identified Staff**"):

- Member of the Board of the Management Company; and
- Senior management (meaning the persons in charge of the day-to-day management of the Management Company, including control functions);
- Control functions (i.e. internal audit, risk manager, compliance officer and, legal officer)

3. Remuneration principles

a) General principles

1. The remuneration, if any, of all Identified Staff (to the exclusion of the members of the Board) will be determined the Supervisory Committee (as defined below), on the basis of the following criteria:

- Knowledge & Skills
 - Learning attitude
 - Risk governance
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- Policies, processes & procedures follow up
 - Leadership
 - Accountability
 - Communication internally and externally
 - Adequate risk orientation
 - Adequate performance management
 - Challenge of management
 - Strategy & objectives follow up
 - Values & ethics follow up
 - Interaction with other teams
 - Risk competence
 - Motivation
2. The remuneration of the members of the Board will be fixed by the Supervisory Committee within the envelope fixed by the shareholders. This envelope will be allocated between all Board members on the basis of their powers, tasks, expertise and responsibilities.
3. The Supervisory Committee may only validly deliberate if at least 2 of its members are present. It will take its decisions at the simple majority of the votes cast. In case the Supervisory Committee deliberates on the remuneration of one of its members, the member whose remuneration is discussed shall abstain from voting and from participating to the deliberations regarding his or her remuneration.
4. Any payment of remuneration under any form whatsoever paid directly by the Management Company to Identified Staff, where and if applicable, should in all cases follow the principles set forth hereinafter:
- Members of the senior management are compensated in accordance with the achievement of the objectives linked to their functions, independently of the performances of the business areas that they control;
 - where remuneration is performance-related, the total amount of remuneration for Identified Staff is based on a combination of the assessment as to the performance of the individual and of the UCITS and as to their risks and of the overall results of the Management Company when assessing individual performance, taking into account financial and non-financial criteria;
 - the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the UCITS in order to ensure that the assessment process is based on the longer-term performance of the UCITS and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;
 - The variable remuneration will only be paid if it is sustainable according to the financial situation of the Management Company, the UCITS as a whole and the individual concerned. As a result, the variable part of the remuneration shall never be guaranteed and the Management Company reserves the right to not pay it (or to reduce it) if it is not sustainable.

- The Management Company may nevertheless, on exceptional basis, decide to guarantee the payment of an exceptional variable remuneration (for the first year of employment) in the context of hiring a highly qualified new Identified Staff. In such a case, the Company will set the terms and conditions of such exceptional bonus taking into consideration the financial soundness of the Management Company.
- Due to the size, complexity and nature of the Management Company's activities, no performance adjustment measures will be implemented to the existing arrangements.
- All employees will be subject to official pension scheme as provided by government. The Management Company does not provide any supplementary pension schemes.
- All payments related to the early termination of a contract will reflect performance achieved over time and will not be designed in a way that rewards failure.
- "Golden parachute" arrangements for Identified Staff who are leaving the Management Company and which generate large payouts without any performance and risk adjustment are inconsistent with the principle in Article 111ter, paragraph (1)(k) of the 2010 Law. Any such payments will, the case being, be related to performance achieved over time and designed in a way that does not reward failure. This should not preclude termination payments in situations such as early termination of the contract due to changes in the strategy of the Management Company or of the UCITS it manages, or in merger and/or takeover situations.

b) Risk mitigating features and risk alignment of variable remuneration

All Identified Staff will be required to undertake not to use personal hedging strategies or remuneration and liability related insurance to determine the risk alignment effects embedded in their remuneration arrangements. Insurances designed to cover personal payments such as healthcare and mortgage instalments should in principle be allowed. In order to avoid any circumvention of the remuneration principles set forth herein, any insurance of such a kind shall be notified to the Supervisory Committee, who shall, on a case-by-case basis, make sure that the latter is in line with the requirements set forth in the 2010 Law and, the case being, take appropriate measures to regularise the situation.

c) Recording of the determination of the overall variable remuneration

The Company will document the award process and ensure that records of the determination of the overall variable remuneration pool are maintained.

4. Supervisory Committee

The supervisory function will be entrusted to a committee (the "**Supervisory Committee**") composed of one of the conducting officers of the Management Company and two non-executive members of the Board. For the avoidance of doubt, this committee shall not be considered as a remuneration committee within the meaning of Article 111ter, paragraph (1), (f) of the 2010 Law.

The Supervisory Committee will be responsible for determining, maintaining and implementing the remuneration policy of the Management Company under the supervision of the conducting officers. As indicated in section 9, the remuneration policy, as well as any subsequent material exemptions or changes thereof shall be approved by the conducting officers and by the Board.

In the design and oversight of the Management Company's remuneration policy, the Supervisory Committee will take into account the inputs provided by all competent corporate functions, as well as key external providers (i.e., risk management, external legal adviser, strategic planning, etc.), which will be properly involved in the design of the remuneration policy of the Management Company.

The Supervisory Committee will ensure that:

- the remuneration policy of the Management Company is consistent with and promotes sound and effective risk management and:
 - is in line with the business strategy, objectives, values and interests of the Management Company and the UCITS that it manages and includes measures to avoid conflicts of interest, and
 - does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of such UCITS that the Management Company manages.
- the Management Company's overall corporate governance principles and structures, as well as their interactions with the remuneration system are considered within the design and implementation of the Management Company's remuneration policies and practices;
- the following elements are taken into account: the clear distinction between operating and control functions, the skills and independence requirements of members of the management body, the role performed by internal committees, the safe-guards for preventing conflicts of interests and the internal reporting system and the related parties' transactions rules.

5. Remuneration committee

Because the scope, nature and complexity of the activities of the Management Company is limited, the Board and the conducting officers consider that no formal remuneration committee needs to be set up.

6. Measure in case of delegation of portfolio management or risk management activities

At the date of this Policy, the Management Company has delegated the portfolio management and the risk management activities of Piraeus Invest to Piraeus Asset Management Mutual Funds Management Company, Athens, subject to prudential supervision of the Hellenic Capital Market Commission. The Management Company has verified that the delegate is subject to regulatory

requirements on remuneration that are equally as effective as those applicable under these guidelines. The Company has established methods for the on-going assessment of the delegates' remuneration rules.

7. Prevention of conflicts of interest

The following safeguards mechanisms will be put in place against conflicts of interests:

- The remuneration of those engaged in the performance of the risk management function will be fixed based. The Supervisory Committee may however, in exceptional cases, decide on the payment of a variable remuneration, in line with the provisions of section 3;

8. Role and remuneration of control functions

a) Role of the control functions as regards the investment policy

The risk management function will assess how the variable remuneration structure affects the risk profile of the UCITS.

b) Remuneration of the control functions

The remuneration of those engaged in the performance of control functions will be fixed based.

The Supervisory Committee may however, in exceptional cases, decide on the payment of a variable remuneration, in line with the provisions of section 3.

9. Implementation and periodical review of the remuneration policy

The implementation of the remuneration policy of the Management Company will be reviewed on an annual basis at a minimum by the Supervisory Committee, which will assess whether: (i) the remuneration policy operates as intended (in particular, that all agreed plans/programs are being covered; that the remuneration payouts are appropriate, and that the risk profile, long-term objectives and goals of the UCITS and the Management Company are adequately reflected); and (ii) is compliant with national and international regulations, principles and standards applicable to remuneration policy.

The risk management function, as well as, insofar as necessary, the Management Company's external legal adviser, will be closely involved in reviewing the remuneration system of the Management Company.

The Supervisory Committee will report on the outcome of this review to the conducting officers and to the Board, who will assess whether it is necessary to amend this Policy (notably on the basis of the outcome of the review of the Supervisory Committee). This assessment shall be made at least annually and each time a material change likely to affect the remuneration policy of the Management Company occurs.

10. Disclosure

a) Internal disclosure

This remuneration policy will be accessible to all members of the Identified Staff, which will know in advance the criteria that will be used to determine their remuneration. Confidential quantitative aspects of the remuneration of the members of the Identified Staff will of course remain confidential and will thus not be internally disclosed.

b) External disclosure

Specific and general requirements on disclosure

This remuneration policy will be accessible to regulator and other state bodies who are officially entitled to request such policy.

The Board shall ensure that the prospectus of the UCITS shall contain either:

- the details of the up-to-date remuneration policy, including, but not limited to, a description of how remunerations and benefits are calculated, the identity of the persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, where such a committee exists; or
- a summary of the remuneration policy and a statement to the effect that the details of the up-to-date remuneration policy, including, but not limited to, a description of how the remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee where such a committee exists, are available by means of a website – including a reference to that website – and that a paper copy will be made available free of charge upon request.

The Board shall ensure that the Key Investor Information Document for each class of shares issued by the UCITS shall include a statement to the effect that the details of the up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits including the composition of the remuneration committee, where such a committee exists, are available by means of a website – including a reference to that website – and that a paper copy will be made available free of charge upon request.

The Board shall ensure that the annual report of the UCITS shall contain such information on the remuneration payable by the UCITS as requested under Article 151(3) of the 2010 Law.