



GAY-LUSSAC
GESTION

COMPENSATION
POLICY

January 2021



GLG - Compensation Policy (ex RJAMI -update : 2019)

PREAMBLE

This policy, taken in accordance with the provisions of Directives 2011/61/EU and 2014/91/EU Directives AIFM and UCITS V Gay-Lussac Gestion (hereinafter "GLG") is committed to establishing, implementing and maintaining compensation policies, procedures and practices that promote sound and effective risk management in accordance with the principles of the Raymond James Group.

The compensation policy established by Gay-Lussac Gestion promotes sound and effective management and does not encourage risk taking that is inconsistent with the strategy, nature, scope and diversity of its activities.

This policy is designed to avoid all situations of conflict of interest and to prevent reckless risk-taking that is incompatible with the interests of clients.

PERIMETER OF STAFF IDENTIFIES

Gay-Lussac Gestion's Compensation Policy distinguishes between :

- The provisions relating to all SGP employees,
- Les Specific provisions for "Identified Employees", namely :
 - o Members of Executive Management, and in particular "responsible managers" within the meaning of the French Monetary and Financial Code,
 - o Control functions, and in particular the Compliance and Internal Control Manager (RCCI) and the Risk Manager,
 - o Employees involved in the provision of investment or ancillary services, in particular financial managers (of accounts under mandate, UCIs or for the MANAGEMENT COMPANY's own account).
 - o Employees in charge of business development.
 - o All Employees in the same salary bracket as the General Management and all "risk-taking" Employees whose usual activities are likely to have a significant impact on the risk profile of the MANAGEMENT COMPANY or the UCIs managed.

TYPES OF REMUNERATION PAID BY THE SGP

The types of remuneration concerned are:

For all categories of personnel (except Financial Manager for Private Management or Institutional Management):

- A fixed remuneration defined contractually.
- Variable, non-contractual compensation in the form of a "bonus" or "premium" paid in cash.

For Financial Managers for Private Management or Institutional Management only:

- A fixed remuneration defined contractually.
- A variable remuneration corresponding to 20% of the management fees net of retrocessions on the net balance of the assets contributed during the year, calculated at the end of September each year and payable on January 31 of the following year.

APPLICATION OF THE PRINCIPLE OF PROPORTIONALITY

Given the number of UCIs managed and the assets under management concerned, SGP wishes to apply the principle of proportionality in the conditions of eligibility, application methods and limits set by the AMF.

Gay-Lussac Gestion, also approved under the AIFM Directive, has chosen the principle of proportionality provided for in III of Article 314-85-2 of the AMF's General Regulations.

TERMS AND CONDITIONS OF PAYMENT OF VARIABLE COMPENSATION

Payment Procedures	Explanations
Variable compensation paid in cash and financial instruments	<p>The portion of variable compensation paid in cash may not exceed the sum of €100,000 and may not represent more than 50% of the total variable compensation, in the event that the balance of the variable compensation exceeds €100,000, it is paid in the form of financial instruments.</p> <p>For a financial manager: Compensation in cash and/or allocation of units of the UCI concerned by the outperformance and/or allocation of a basket of UCIs managed by GLG. The number of units of each UCI will be weighted according to its size.</p> <p>For the rest of the identified personnel :</p> <ul style="list-style-type: none"> • Remuneration in cash and/or allocation of a basket of UCIs managed by GLG. The number of units of each UCI will be weighted according to its size. <p>Currently, the basket of units of UCIs managed by GLG is composed of :</p> <ul style="list-style-type: none"> • Raymond James Europe Plus • Raymond James Small Caps • Raymond James Microcaps • Raymond James Europe Flex • Raymond James Disciplined Deployment
Proportion of variable compensation carried forward	The proportion of deferred variable compensation paid in the form of financial instruments must represent at least 50% of the total variable compensation component.
Term and deferral mechanism	<p>The deferral period is set at 3 years, unless the life cycle of one or more financial instruments used for the payment of the balance of the variable compensation is shorter.</p> <p>The valuation of the financial instruments making up the basket of funds used for the payment of the variable portion will be calculated at the end of each calendar year on the basis of the audited net asset values of the mutual funds.</p> <p>The mechanism used is :</p> <ul style="list-style-type: none"> • 50% of the variable compensation awarded in respect of the previous fiscal year is paid in cash upon award. • 50% of the variable compensation awarded in respect of the previous fiscal year is paid in the form of a basket of funds managed by Gay-Lussac Gestion defined in advance. This compensation is deferred in equal parts over a period of 3 years.
Risk adjustment methods	<p>Pursuant to the UCITS V Directive, Gay-Lussac Gestion limits the payment of the deferred portion of the variable compensation to the following conditions:</p> <ul style="list-style-type: none"> • Gross negligence on the part of the employee. • insufficient earnings of Gay-Lussac Gestion to enable it to pay the defined variable compensation, even if it could have been paid in respect of previous years. <p>In the event of an employee's departure, with the exception of gross negligence, the payment of the deferred variable compensation will be subject to review and decision by Gay-Lussac Gestion's General Management.</p> <p>In order to limit excessive risk-taking GLG sets the variable compensation based on risk-adjusted performance.</p> <p>GLG assesses risk and performance and takes into account current risks and future risks taken by employees, the operating unit, the UCI concerned and the situation of GLG as a whole.</p>

Disclaimer: Gay-Lussac Gestion will communicate, upon written request, its entire Remuneration Policy.