



# Remuneration Policy

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## Remuneration Policy

### ➤ 1. Aim

The capacity of Piraeus Asset Management MFMC (hereinafter “Company”) to implement a comprehensive human resources strategy in order to attract, maintain, reward and mobilize high-potential employees is deemed important for its constant success. The Company’s Remuneration Policy complies with the applicable legislative and regulatory framework governing its operation, being at the same time consistent with the corporate strategy of Piraeus Bank Group (hereinafter “Group”) to which it belongs, with central concern the alignment of its aims with the aims of the interested parties – employees, administration and shareholders and in line with sustainable development.

#### **The Remuneration Policy aims to:**

- Attract, maintain and stimulate high-level qualified executives, who achieve the expected results, in consistency with the corporate culture and values.
- Support a culture focusing on performance which is based on excellence and creation of sustainable development, taking into consideration Environmental, Social and Governance criteria.
- Adopt a policy of equal remuneration for men and women employees for the same work or work of equal value, supporting a culture of justice.
- Align remuneration with profitability, capital adequacy and the liquidity, without encouraging excessive risk-taking.
- Promote a culture of compliance and effective control of risks and sustainability factors<sup>1</sup>.
- Reinforce internal and external transparency.
- Discourage excessive risk-taking, as well as risks not compliant with the investment profiles and regulations/statutory documents of the UCITS/CIUs under the Company’s management.

The alignment of the Remuneration Policy with the Company’s and the Group’s strategic guidelines constitutes a continued commitment. Based on the principles of transparency, responsibility, sustainability and meritocracy, the Company aims to be a pillar of stability in the Hellenic financial market, to fuel growth and promote innovation. Its vision is to be the most reliable UCITS/CIU management company in the market, creating value for its shareholders, customers and employees. The Company’s values are as follows:

- We constantly create value
- We see the facts as a challenge
- We excite our customers
- We build bonds of trust

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<sup>1</sup> “Sustainability factors” are environmental and social issues, issues related to personnel, respect of the human rights and fight against corruption and bribery.



The Company checks, re-examines and updates the remuneration procedures and structures on a constant basis and whenever there is a significant change, so that they are always aligned with the ongoing business objectives, the interests of the UCITS/CIUs it manages, the legislative and regulatory framework, as well as the Group's business strategy. At the same time, the remuneration practices and the salary levels discourage excessive risk-taking, possible conflicts of interest or violation of regulations and laws.

## 2. Remuneration Policy Framework

In the complex and volatile financial and investment environment, where the company is active, a balanced Remuneration Policy constitutes an invaluable tool in the detection of the proper characteristics required for the achievement of its objectives.

The aim of the Remuneration Policy is to continue developing an effective and competitive remuneration framework, aligned with the best market practices, creating simple business lines, meeting the needs of the collective and individual portfolios managed by the Company and of its customers and improving the overall business performance.

The main principles of the Remuneration Policy reflect the applicable legislative and regulatory framework governing remunerations and the incentive practices, and are aligned with the Company's long-term strategies, incorporating criteria related to environmental, social and governance risks (ESG). These are connected with the Company's and the Group's priorities in the creation of added and shared value for all the interested parties, the creation of a work environment which is comprehensive in its diversity, fostering and unlocking individual potential and securing competitive advantage, the establishment of a culture responding to risk with a view to increase the efficiency and simplify the procedures, comply with the internal and the Group policies and audits, avoid conflict of interests and, consequently, discourage excessive risk-taking and taking of risks not compliant with the investment profiles and the regulations/statutory documents of the UCITS/CIUs managed by the Company.

The principles and provisions of the Remuneration Policy apply to all the Company's employees and have been adopted in accordance with the Remuneration Policy of the Group in a manner that is appropriate to the Company's size, internal organization and the nature, scope and complexity of its activities (principle of proportionality) and without prejudice to the provisions laid down to art.102 of Law 4261/2014 (art.109 of CRD).

For the purpose of this Remuneration Policy, the term "employee": a) includes the BoD members and b) is deemed to refer exclusively to personnel that have a work/mandate contract or that have a distinct and permanent role in the company. The general principles and terms of this policy set a high-level framework and are implemented proportionally for the remuneration of all the persons acting on behalf of the Company (irrespective of their contractual relationship with the Company) in order to secure that the payments carried out do not encourage excessive risk taking or risk taking which is incompatible with the investment profiles and rules/statutory documents of the UCITS/CIUs managed by the Company.

When implementing the principles and provisions of the Remuneration Policy, the Company does not make any distinctions based on the gender, sexual inclination or orientation, age, family status, religion, political views or other opinions, national or social origin, race, color, language, genetic features or disability, union action or participation in workers' councils/organizations, and is against any type of workplace or/and social bullying or/and exclusion and discriminations.



The implementation of the Remuneration Policy varies depending on the employee category and in particular for employees the professional activities of whom have a significant impact on the risk profile of the Company and the collective and individual portfolios it manages (“Identified staff” or “Material Risk Takers”).

The following important principles reinforce the Company’s approach to remuneration issues:

- Promotion of sustainable value supported by the strategy of the Company/Group
- Alignment with the shareholders’ interests
- Alignment with the interests of the collective and individual portfolios under management
- Examination of the interests of the parties concerned and maintenance of the proper balance between those and the shareholders.
- Incorporation of sustainability risks<sup>2</sup>

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<sup>2</sup>A “sustainability risk” is a fact or occasion in the environmental or social sphere or in the sphere of governance that, if occurred, it could have significant real or potential negative impact on the value of an investment.



Remuneration Policy Framework

Remuneration Governance	Remuneration Structure	Personnel Remuneration Specification	Performance Reward from:
<p>Non-executive members of the BoD monitor the continued suitability of the remuneration practices and suggest changes in the Policy if needed.</p>	<p>The overall remunerations include the fixed and variable parts.</p>	<p>The fixed remunerations must be competitive so that they attract and maintain the persons with the suitable qualifications, skills, work experience and behavior, that the Company needs.</p>	<p>The alignment with the market reality, the shareholders' long-term interests and the Company and Group strategy.</p>
<p>The Internal Audit, Regulatory Compliance, Risk Management Units and the MIS&amp;BA Department, in cooperation with the Company's Legal Advisor, as well as with the competent services of the Group participate actively in planning the Remuneration Policy.</p>	<p>The variable remunerations are paid in cash and in units/shares of UCITS/CIUs or other instruments (if required).</p>	<p>The employees' high performance and motivation are rewarded through the variable remunerations in order to achieve the business objectives always in accordance with the legal and regulatory terms and the budget restrictions.</p>	<p>The fact that they do not affect negatively the Company's and Group's capital base - Both the Company and the Group need to be profitable and sufficiently capitalized.</p>
<p>The Remuneration Policy is approved by the BoD, following a proposal of the non-executive members thereof.</p>	<p>A percentage of the variable remunerations is deferred (if required).</p>	<p>The variable remunerations promote the sound and effective risk management and discourage excessive risk-taking.</p>	<p>The fact that the employee's contribution to the achievement of the business objectives and their commitment to the business values are taken into account, together with the Units' and Company's performance, as well as the Company's and Group's risk indicators.</p>
<p>The central independent audit of the Remuneration Policy is carried out by the Internal Audit Unit – evaluation of the Remuneration Policy is carried out by the Regulatory Compliance and Risk Management Units - the non-executive BoD members ensure the suggestion and timely implementation of a corrective action plan, which is approved by the BoD.</p>	<p>Reference is made to roles with an important impact on the risk profile of the Company and the UCITS/CIUs it manages, which are specified and monitored on an annual basis.</p>		<p>The promotion of criteria related to environmental, social and governance risks (ESG), corporate values and risk culture</p>
<p>Reports containing remuneration data are communicated pursuant to the applicable legislation.</p>	<p>There are terms of non-payment and return of remunerations that can be activated under specific circumstances.</p>		<p>Following a neutral approach regarding gender and no discrimination whatsoever</p>



### 3. Remuneration Policy Governance

The Remuneration Policy is an integral part of the corporate governance implemented by the Company aiming to reinforce its values and long-term interests and discourage excessive risk-taking.

The Remuneration Policy is planned by the MIS&BA department, with the contribution of the Risk Management, Regulatory Compliance and Internal Audit Units, in cooperation with the Company's Legal Advisor, as well as with the Group's competent services. It is, then, submitted to the non-executive BoD members. The latter supervise the Remuneration Policy and its implementation, taking into account the Company's long-term objectives, sustainability factors, as well as the criteria related to the performance of the executive levels; they make all necessary changes and amendments and submit their recommendations to the Company's BoD for approval.

The non-executive BoD members approve any subsequent essential exception or deviance made for employees, as well as the changes in the Remuneration Policy, and examine and monitor their aspects. Any exception/deviance shall not be based on gender or other discrimination issues, shall be reasonably justified and in accordance with the remuneration requirements set by the applicable legislation.

The Control Units contribute to the planning of the Remuneration Policy and play an important role to its audit.

The Risk Management Officer of the Company contributes and informs on the determination of the appropriate performance measurement adapted to the risk (including retrospective adjustments) and the key performance indicators, evaluates the relevant remuneration practices focusing on how the structure of variable remunerations affects the risk profile of the Company and the portfolios managed by it and the culture, whereas it also evaluates the effective management of risks arising from the Remuneration Policy both for the Company and for the collective and individual portfolios under its management. Moreover, the Risk Management Officer of the Company provides his/her opinion within the process of identifying Material Risk Takers, validates and evaluates the data that have been adapted as regards the risk.

The Regulatory Compliance Officer of the Company examines how the Remuneration Policy affects the Company's compliance with the legislation, the regulations, the internal policies and the risk culture, and proposes any change/adjustment required. He/she, also, secures compliance with the conflict of interest policy of the Company and the Group. Furthermore, he/she assesses whether the admissions related to the annual disclosure of data on remunerations, the process of identifying Material Risk Takers and the Remuneration Policy of the Company, in general, comply with the existing regulatory framework.

The planning and implementation of the Remuneration Policy regarding the compliance with regulations, policies, procedures and internal rules are subject to the central and independent internal assessment by the Internal Auditor of the Company as often as it is provided for by the institutional framework in force. The independent assessment includes, inter alia, reports concerning the results of the current Remuneration Policy regarding the risk profile of the Company and the UCITS/CIUs it manages, and assesses the effective management of risks arising therefrom, both for the Company and for the collective and individual portfolios under its management, as well as the analysis concerning whether the Remuneration Policy is neutral as regards gender or other discriminations.

The results of internal assessment and the actions made in order to settle any findings are recorded in written reports and notified to the BoD. Furthermore, the Internal Auditor participates on a consulting basis as regards the admissions related to the annual disclosure of data on remunerations and in the process of identifying Material Risk Takers.



The risk assessment, including sustainability risks, is incorporated in the planning and implementation of the Remuneration Policy and is performed on a constant basis.

The aforementioned Control Units, upon re-examination of the Remuneration Policy, take into account issues of conflict of interest, sustainability factors, as well as the interests of the collective and individual portfolios under the Company's management.

### **Communication and Publication**

An important characteristic of the Remuneration Policy is the transparency concerning the practices and procedures followed. Therefore, this Remuneration Policy, which is available to the public through the Company's website, is internally available to all the employees.

## **➤ 4. Remuneration Structure**

The remuneration structure aims to reflect the Company's principles for responsibility, meritocracy and transparency.

The Management system of the Group's Human Resources Performance, which is aligned with the Group's strategic objectives and sustainable development principles, is based on the three main pillars of high performance, responsible management and personal responsibility. The above pillars and principles are fully adopted by the Company, and incorporated in its Remuneration Policy. The strategic priorities are specified by the senior managers, converted into the Annual Business Plan, passed on the Managers of the Company's Directorates and are then associated with the respective employees of each Directorate. This way, the Company's annual business objectives are channeled to all its levels of operation. The employees are evaluated based on their individual contribution to the achievement of these objectives, as well as using calculable indicators, which are in alignment with the corporate values. Particular emphasis is given to "what" is achieved and "how" it is ensured that the values are incorporated into the actions of each employee.

The Remuneration Policy covers all the types of remunerations. The remuneration structure is divided into fixed and variable parts, thus ensuring that the remunerations are associated with the short- and long-term efficiency of the Company and the sustainable development principles. It includes all the ways of performance and payment, such as cash, units of UCITS/CIU, shares and share options and, in general, every benefit of any kind paid by the Company and every amount paid directly by the UCITS/CIUs under management, including the performance fees, either concerning one-off or deferred payments.

### **4.1. Fixed Remunerations**

Fixed remunerations<sup>3</sup> are the employees' guaranteed income. They are not provisional and aim to reward the employees based on the level of responsibility, education, professional experience and skills required for the execution of their duties. The height of the fixed remunerations is based on terms that are permanent, transparent and do not encourage excessive risk-taking. In addition, it aims to contribute both to attracting and maintaining the employees in the Company, remaining competitive in the market and to ensuring, at the same time, the employees' commitment. Fixed remunerations are the main source of income of the

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<sup>3</sup> As defined in the applicable to the Company legislative and regulative context and the respective guidelines.





employee from the Company, constitute the significantly highest percentage of their overall remunerations and, thus, ensure the desirable/proportionate standard of living.

The Company has developed a fixed remunerations framework, neutral as regards gender and other discriminations, that sets out the structure and the extent of the remunerations for the different role levels, with reference to:

- The respective level of responsibility of the role internally, as deriving from the position's evaluation
- External correlations, based on market research or relevant comparable references
- The individual skills and experience
- The recognition of the value of the personal performance of the employee and their contribution to the achievement of the business objectives.

In order to implement this framework, the Company has created an internal organizational structure, through the mapping of the roles, their distribution to families and the conduct of assessment of job positions aiming to match levels of responsibility to certain roles. The implementation of this system provides flexibility and efficiency, serves as a solid basis for the career development, the continuity and staffing of human resources, promoting an effective conversation between managers and employees, allowing them to recognize how they evolve from one family level to another or within the same level in different roles.

The assessment of the Company's roles is based on the Hay Points methodology. For the assessment of each role / job position, the following criteria were followed and all the roles were classified pursuant to the number of points they collected, in order to facilitate their comparison both internally and externally (market level). The assessment criteria are the following:

**Know-How.** It is the sum of all types of knowledge (practical, technical and specialized), skills and experience required by the holder of the position for the achievement of an acceptable performance.

**Problem Solving.** This factor is used for the measurement of the type and complexity of the problems that a specific position has to settle and is intricately linked to know-how.

**Responsibility.** This factor measures the result produced by the performance of the positions' duties and the importance of this result for the organization.

The importance of each position is attributed with specific points and levels, associated with the internal salary policy and the remuneration rates of the market. This way, it is ensured that the employees in positions of similar importance/responsibility receive comparable fixed remunerations and the competitiveness of salaries and internal balance is maintained, promoting equal pay. At the same time, the Company takes into account and applies the minimum salaries provided for by the Collective Labor Agreement of the private sector employees.

As a general rule, the Company's policy is to pay approximately the median remunerations of respective comparative groups. For the specification of the salary range (or scale) where a new employee will be placed, the degree and immediacy of the fulfillment of the position's requirements is taken into account. A fully trained employee, who consistently and considerably contributes to, addresses and sometimes exceeds the position's requirements, will be evaluated / compared to the median salary range. The Company aims to



appoint experienced individuals exhibiting demonstrably superior performance, or external appointees, above the midpoint and in alignment with market practice. Remunerations in the highest zone of the salary scale are provided for roles significantly affecting the achievement of the strategic priorities and the development of the Company or in cases of exceptional performance, roles exceeding the expectations or roles of high specialization or lack of certain skills. In general, the extent of the salary scale allows flexibility in order to deal with these differences, allowing at the same time a significant evolution within the scale.

Cases are reviewed on an individual basis by the Company's MIS & BA department in collaboration with the Group's Human Resources and are settled following a specific authorization procedure, taking into account the skills, competences, contribution to the business objectives, risks of loss and budget restrictions. An individual assessment is made in accordance with the role's gravity and the market practice, taking also into account the performance and contribution. The Company can assign a new reinforced role with extended responsibilities or can suggest a change of a job position aiming to gradually align the internal remuneration levels with the market practice. In the context of reviewing the Company's remuneration strategy, non-executive board members are informed at each level and the respective actions planned.

Additional criteria taken into account for setting the fixed remunerations, include the academic background, the prior professional experience, the criticality of the position, the degree of difficulty as regards the detection of skills/qualifications required for the specific position, etc. The fixed component of the remunerations includes the benefits provided based on the Remuneration Policy adopted by the Company and the Group.

### **IORP**

Piraeus Bank Group has established an Institution for Occupational Retirement Provision (hereinafter "IORP") through which the Company has established a Defined Contributions Pension Program covering all its employees. The members of the Company's BoD can participate in the said program. Also, through the IORP Medical Care and Life/ Accident coverage are provided. The IORP is managed by its Board of Directors in accordance with the supervision of the regulatory authorities: The Professional Insurance Department of the Ministry of Labor and Social Affairs, the National Actuarial Authority and the Capital Market Commission.

The Defined Contributions Pension Program, as defined in the IORP's articles of association, enables the payment of regular and exceptional contributions by the employer and the employee. The regular employer's contributions are defined as a percentage of the employee's monthly gross salary, that is the same for all the participants. The employees can also participate in the program voluntarily, contributing to up to a specified ceiling on their monthly gross salary. The employees contribution can be modified up to two times per year. The persons insured have the right to receive a one-off amount equal to the total contributions, of the employer and the employee, provided that the criteria associated with their age and years of insurance with the IORP are met. In case of resignation or voluntary termination of the insurance with the IORP before the fulfillment of the special terms set, the person insured receives only their individual contributions.

### **Benefits**

A fixed component of the remuneration structure relates to the Benefits provided to employees in line with relevant market practice to ensure competitiveness and business effectiveness of the Company. This may include, but is not limited to, Medical Care, Life/Accident, Defined Contribution Group Insurance plans for members of Management including the Executive members of the BoD, as well as benefits linked with the internal job grading structure and/or role (company car, handheld devices etc.), following market practices and policies.



## **Allowances / Expenses**

The Company can also provide benefits which are decided on a case-by-case basis and cover fees due to work-related travel, accommodation, movement and other expenses made during the employment.

All the benefits provided to the employees as well as the decision process are described in detail in the respective Company's Benefits Policy.

## **Audit Unit Remunerations**

The remunerations of the Audit Units employees reflect the nature of their duties and are structured in a way allowing the Company to employ specialized and experienced personnel. The Company ensures that the methods used for the specification of the variable remunerations of the Audit Units, that is the Risk Management, Regulatory Compliance and Internal Control Units, do not jeopardize the employees' objectivity and independence.

### **4.2. Variable Remunerations<sup>4</sup>**

The Company aims to reward the highly performing employees in order to support the achievement of the business objectives at an individual, unit and directorate level. The variable remuneration schemes consist of short- or long-term components, thus rewarding the achievement of both the short- and the long-term business objectives. It allows the Company to differentiate individual performance and lead behavior through motivation that can affect culture positively. According to the legal and regulatory principles and taking into consideration any possible conflict of interests, these systems can have the form of an annualized performance scheme aiming to provide incentives for individual performances or the form of an incentive-giving program / rally aiming at additional motivation for the achievement of specific business results.

The amounts of variable remunerations are paid based on pre-determined, calculable, quantitative and qualitative criteria. These criteria incorporate the medium and long-term strategy of the Company and the Group, including the risk profile and the risk disposal, achieve the alignment between the interests of the employees and the interests of the Company and shareholders, ensuring the avoidance of excessive risk-taking, while they also take into account sustainability risks and factors, and the reimbursed amounts do not impede the maintenance of a sound capital base.

The Company has no binding obligation to pay variable remunerations. This means that, if circumstances do not allow, e.g. increased liquidity needs, exceedance of budget expenses, the Company can decide not to pay variable remunerations, even if its financial performance allows such action.

In particular for the Company's UCITS/CIUs under management, the performance evaluation is set in a multi-year framework adjusted to the holding period suggested to the unitholders of each UCITS managed by the Company, while for the Company's CIUs under management, the performance evaluation is incorporated in a multi-year framework adjusted to the life-cycle of the CIUs, based on the unit redemption policy and the corresponding investment risks.

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<sup>4</sup> As defined in the applicable to the Company legislative and regulative context and the respective guidelines.



The amounts of variable remunerations are calculated as a percentage of the fixed remuneration. The desired amounts - based on the achievement of X% of the objectives - are set based on the relevant market practice, the current financial situation and the Company's, as well as the Group's, margins, following a specific procedure of recommendation and approval. Specific objectives associated with the payment of variable remunerations will not be communicated if they constitute sensitive information for the competition and the price of the share of the Group's companies or if they are in conflict with the Company's obligation to act in the best interests of its shareholders, customers and collective and individual portfolios under its management. When remunerations are paid by means of financial instruments, the relevant mechanisms are activated for the prevention and management of possible conflict of interests and risks of market abuse.

The variable remunerations of each employee cannot exceed 100% of their overall fixed remunerations. The General Meeting of the Shareholders can approve a higher maximum ratio between fixed and variable remunerations, provided that the total variable remunerations will not exceed 200% of the overall fixed remunerations for each employee.

More specifically, for the employees the professional activities of whom have a significant impact on the Company's risk profile (Risk Takers), in order for them to be discouraged from excessive risk-taking, an important part of the amount paid is deferred and, in addition, half of this shall be paid in instruments instead of cash. In particular, 50% of the variable remunerations will be paid in cash, while the other 50% will be paid in units/shares of the UCITS/CIUs under management or equivalent ownership rights, provided that the remunerations are associated with performance in the field of management of the Company's UCITS/CIU portfolios or with the value of the share of Piraeus Bank on the Athens Stock Exchange, in the other cases.

A minimum rate of 40% (or 60% respectively for especially high amounts) is deferred for one period (deferment period) which cannot be shorter than four (4) years or as otherwise set by the applicable legislative and regulatory framework.

The variable remunerations for the Material Risk Takers shall be aligned with all the risks, including the sustainability risks (ESG), and the performance of the Company, the business unit and the individual.

The above rate of 50% in other instruments applies both for the one-off amount to be paid and for the deferred amount. As regards the instruments provided, a holding period of at least one year is set or as otherwise defined by the existing legislative and regulatory framework.

The requirements of deferment and payment of variable remunerations in units of UCITS/CIUs, shares or other instruments do not apply for employees (Risk Takers or non- Risk Takers) the annual variable remunerations of whom do not exceed the amount of € 50,000 and does not exceed 1/3 of total annual fees of the employee. or as otherwise stipulated by the regulatory framework. For the payment of the amounts to the Risk Takers, the approval of the BoD is required.

The employees are prohibited from using personal hedging strategies or remuneration- or liability-related insurance (or civil liability insurance) to undermine the risk alignment mechanisms embedded in the remuneration arrangements.

### **Incentive schemes**



Moreover, the Company implements incentive schemes targeted mainly at employees with no significant impact on the risk profile of the Company and the collective and individual portfolios under its management, such as the employees in management positions, in the accounting office, etc.

The incentive schemes aim to encourage and motivate the employees to have higher performance and better results. The incentives can be monetary and non-monetary rewards provided to employees in recognition of the achievement of specific results, in a specific time period.

It shall be noted that the framework of the incentive schemes and their parameters are aligned with the business strategy, the objectives, values and long-term interests of the Company, as well as with principles of sustainable development. Furthermore, according to the regulatory guidelines for the remuneration policy of the sales employees, the structure of these schemes also includes measures for the customer protection and, at the same time, the avoidance of conflicts of interest. The reward is in accordance with the budgetary restrictions and provided that it does not jeopardize the Company's capital base.

The frequency of payments for the incentive schemes can be on a quarterly or/and annual basis, and the payments are implemented/realized in cash and may be subject to terms of holding or deferment. Their aim is to further encourage the employees and provide additional incentives for the achievement of specific business results. The amounts provided through incentive schemes are subject to the conditions described in the above section Variable Remunerations and follow the approval procedure of the Variable Remunerations.

### **Retention Scheme**

The Company aims to adopt a mechanism of holding, in order to maintain the employees holding critical positions, the high-performance talents / employees of strategic importance for the achievement of the Company's priorities. Any such retention mechanism(s) or other ad-hoc retention initiative/bonus is based on specific conditions, duly justified, that lead to the retention objective (i.e. the circumstance that the employee staff member stays in the Company or in the Group for a predetermined predefined period of time or until a certain event).

Under all circumstances, any retention scheme initiative/ bonus shall comply with the requirements of the regulatory framework, including the ex-post risk alignment, payment in instruments, deferral, malus and claw back arrangements, as well as legislative restrictions, where applicable.

### **4.3. Exceptional Remuneration Components**

The remuneration details mentioned below are indicative and not detailed or restrictive.

#### **Recruitment Bonus**

The guaranteed variable remuneration in the form of a recruitment bonus is provided as an incentive for the incorporation into the Company in exceptional cases and when an offer of cooperation is addressed to experienced professionals that will undertake strategic duties. This type of guaranteed variable remunerations is a one-off amount paid during the first year of employment, provided that the Company maintains a sound and strong capital base. The maximum amount paid cannot exceed three (3) monthly gross salaries.



The employee must maintain an active employment relationship in the Company or the Group for at least one (1) year from the date of recruitment. If the employee does not fulfil the minimum requirement of one (1) year and the employment is terminated earlier, the employee is then obliged to reimburse proportionately the amount - if any - of the recruitment bonus paid.

The overall amount can be paid in non-deferred cash and can be excluded from the calculation of the ratio between the fixed and variable component of the overall remunerations for the first performance period, provided that the guaranteed variable remunerations were provided upon recruitment of new employee before the beginning of the first performance period.

### **Severance Payments**

Severance payments concern the early termination of the employment contract for employees leaving the Company and the Group under terms that may be either mandatory pursuant to the labor legislation, or a result of a mutual agreement between the Company and the employee. These payments can include, inter alia, the compensation due to dismissal in case of restructuring and may be subject to a non-competition clause up to one (1) year in the agreement. Severance payments can also be provided due to participation in the Group's Voluntary Exit Scheme (VES).

The height of the amount, depending on the type of severance payment, cannot be lower than the amount which is obligatory under the legislation and cannot exceed 24 gross monthly salaries, unless otherwise specified in the already signed contract of the employee. For all the agreements that have been signed since October 2019 and hither, the threshold of 24 gross monthly salaries cannot be exceeded. More specifically, the Voluntary Exit Schemes follow certain rules and directives regarding the foreseen amounts and are also associated with the Group's strategy upon their implementation. In any case, the overall annual remunerations of an employee during the year in which they left, including the severance payment should be within the limits set by the applicable regulatory framework.

Severance payments cannot be paid in case of early termination of the employment contract due to evidence of misconduct or major errors from the part of the employee (e.g. violation of the code of conduct and other internal regulations, particularly regarding risks). The Group's Human Resources is responsible to determine the amounts of the severance payment following the relevant approval procedure.

The above exceptional remuneration components, before they are provided, are subject to the approval of the Group's Remuneration Committee.

## **5. Provisions of Non-Payment and Return of Remuneration**

Variable remunerations are paid only if they are viable taking into account the Company's (and the Group's) financial situation, and are justified based on the performance of the Group, the Company, the directorate and the person concerned.

Without prejudice to the general principles of the national contract law or labor law, the overall variable remunerations shall be significantly limited, in case of underperformance or negative performance of the Company (and the Group), taking into account both the current remunerations and the reductions in the payments of amounts provided in a previous period, including the arrangements of non-payment or return of remunerations.

In case of violations of regulations/procedures, misconduct, failure to meet the required conformity standards or other equally severe reason, participation in or responsibility for actions that led to



considerable losses, the Company and the Group can use any legal means available in order to claim the return of relevant amounts from the employee.

The provisions/arrangements of non-payment and return of up to 100% of the overall variable remunerations apply to the Material Risk Takers, in accordance with the applicable legislative and regulative framework.

## Special Categories

### 5.1. Material Risk Takers

For the definition of the roles that have a significant impact on the risk profile of the Company and the collective and individual portfolios it manages, the qualitative and quantitative criteria mentioned in articles 23a and 23b of Law 4099/2012, in the decision under no. 28/606/2011 and the Circular under no. 48 of the Capital Market Commission, in the EU Regulation 923/2021 as well as in the whole regulative context applying to the Remuneration Policy, are taken into account.

In order to ensure the Company's compliance with the qualitative and quantitative criteria described above, the MIS & BA Department of the Company, assisted by the Legal Advisor, the Risk Management Officer and the Regulatory Compliance Officer of the Company, carry out an organized and statutory by the Group process of role/position identification, falling into the category of Material Risk Takers. All the employees, the professional activities of whom have an important impact on the risk profile of the Company and of the portfolios under its management, are identified based on the data received every year on 31 December or as otherwise provided for by the applicable legislative and regulatory framework. A list of the roles that have an essential impact on the risk profile of the Company and the portfolios, collective and individual, under its management, is drawn up on an annual basis and it is monitored/revised on an annual basis by the MIS & BA Department of the Company. This list is approved on an annual basis by the BoD of the Company.

Based on the above criteria, the following were identified as the Company's Risk Takers:

- BoD Members
- Senior executive directors
- Senior managing directors
- Regulatory Compliance Officer
- Internal Auditor
- Risk Management Officer
- Managers of UCITS/CIUs and of individual portfolios (institutional and private customer)
- Employees with overall remunerations that fall within the remuneration bracket of senior managing directors
- Persons undertaking risks, the activity of whom has an important impact on the risk profile of the MFMC and the UCITS/CIUs under management.



The above positions include every role of activity with an important impact on the Company's risk profile and the portfolios, collective and individual, under its management.

## 5.2. Incorporation of Sustainability Risks

For the specification of the roles, the professional activities of which have an important impact on the risk profile of the Company and the collective and individual portfolios under its management, taking into account the incorporation of sustainability risks, the Company adjusts its Variable Remuneration Policy for its compliance with article 5 of the EU Regulation under no. 2019/2088.

Without prejudice to the general principles of the national contract law or labor law, the Company, in cooperation with the competent services and departments of the Group (Human Resources) may proceed to the provision of variable remunerations in the form of a bonus, as an incentive for the incorporation of sustainability risks:

- in the investment procedure,
- in making investment decisions and choices,
- in corporate policies,
- in products and services of the Company and
- in the achievement of respective individual and corporate objectives.

The objectives of incorporation of sustainability risks must be in accordance with the general strategy objectives of the Group as regards issues of sustainable development and with the efficiency and sustainability of the Company itself.

Of course, determined and quantified objectives of incorporation of sustainability risks can, inter alia, include indicatively:

1. Increase of input in Company products with environmental and social characteristics
2. Over-performance of Company products with environmental and social characteristics

For important cases of accidents or events related to sustainability risks (including the risk of reputation and loss of customers) leading to considerable losses, the Company can use any legal means available, in order to claim the return of relevant amounts (variable remunerations) from the employee.

### **Restrictions**

All the remunerations paid by virtue of this Policy are subject to the restrictions provided for by the applicable legislative and regulatory framework.





UNITS DO NOT HAVE GUARANTEED RETURN AND PREVIOUS RETURNS DO NOT GUARANTEE FUTURE ONES