
BG Remuneration Policy

Summary

December 2024

1. Objective and scope

This policy aims to attract, retain and motivate high-performing employees while complying with the FCA remuneration Code, the AIFMD Directive and the UCITS V Directive.

It applies to Boussard & Gavaudan Investment Management ('BGIM'), Boussard & Gavaudan Private Limited ('BGPL') and Boussard & Gavaudan America ('BGA').

It is designed to avoid excessive risk-taking while aligning staff incentives with the interests of investors and the long-term performance of the funds.

BG's remuneration policy is reviewed annually.

2. Guiding Principles

The main rules arising from the FCA Code, the AIFM Regulation and the UCITS V Directive concerning the remuneration policy as implemented by BG can be summarised as follows:

- Discretionary annual bonus
- Deferral over 3 years, for at least 50% (only for MRTs)
- Investment in deferred bonus instruments (only for MRTs)
- Performance-based adjustment => possibility of clawback (only for MRTs)
- The policy supports equal pay for men and women and prohibits any discrimination in remuneration.

3. Definition of Material Risk Takers ('MRTs')

Material Risk takers include:

- Members of senior management and the executive committee
- Portfolio managers, traders and investment managers
- Compliance, risk or sales managers
- Any person whose variable remuneration is significant and who has a material impact on the risk profile

The status of risk takers is reassessed annually.

Control functions (compliance and risk management) are remunerated based on the achievement of objectives specific to their function and independent of the performance of the funds managed by BG. The remuneration of members of the Compliance Department is supervised by the Remuneration Committee.

4. Remuneration components

BG employees typically receive:

- Fixed salary
- Discretionary bonus
- Profit distributions (for partners or senior members)

For non-MRTs:

Bonuses are paid entirely upfront with no deferral.

For MRTs:

Bonuses are split:

-40–50% paid immediately (March 31, Year N+1)

-50–60% deferred and invested in financial instruments

Deferred bonuses vest in three equal parts on:

- March 31 of Year N+2
- March 31 of Year N+3
- March 31 of Year N+4

Deferred amounts only vest if the employee is still with the firm and performance criteria are met.

Bonuses (even vested ones) may be clawed back in cases of:

- Serious misconduct
- Risk management breaches
- Poor performance or loss to clients, the market, or BG's reputation
- Regulatory fines or sanctions

Future bonus payments may be reduced ("contracted") if performance deteriorates.

No bonus is paid in a loss-making year unless an exception is justified by the remuneration committee.