




Zencap
Asset Management

| A subsidiary of  Group



Integration of sustainability risks into the compensation policy

Zencap Asset Management

March 2021

This document incorporates the expectations of the European Regulation 2019/2088 known as "SFDR" or "Disclosure" (Art. 5)

Zencap AM has a formalised compensation policy that is communicated to all employees in accordance with the obligations arising from the AIFM Directive¹.

This policy applies to all employees of the company. Its application is validated annually by the Compensation Committee composed of representatives of the members of the Supervisory Board and one or more members of the management of the OFI Group. The exact composition of this committee is reviewed annually.

The Company's compensation policy promotes sound and effective risk management, aligns the interests of investors, the Company and the FIA managers, and seeks to reduce potential conflicts of interest with investors. It is consistent with the company's business strategy, objectives and values.

The compensation policy defines :

- the principles on which the remuneration rules are based
- the terms and conditions of their application
- the criteria for allocating the variable amount
- the governance set up around this subject.

The **fixed remuneration** corresponds to the normal remuneration of the employees for the expected performance corresponding to their respective qualifications. Its share of the overall remuneration package is the majority. The fixed remuneration is uncorrelated with the financial performance of the AIFs under management and is sufficiently high so as not to encourage excessive risk-taking by employees.

Each employee is remunerated according to :

- the obligations linked to the definition of their position,
- the level of competence required,
- the responsibility exercised,
- the experience acquired.

In addition, the level of fixed remuneration is in line with current market practices in the asset management sector in France.

¹ Directive 2011/61/EU of the European Parliament and of the Council of 8th June 2011 on Alternative Investment Fund Managers

The **variable remuneration** takes into account, in particular, the company's results and its regulatory capital requirements; it is not only linked to the performance of the AIFs managed, but also integrates sustainability factors, as well as other qualitative elements likely to improve the company's performance, in particular:

- appropriate consideration of financial and sustainability (ESG) risks in the analysis of investment opportunities,
- compliance with procedures,
- involvement in the company's missions,
- general attitude, adherence to Zencap AM values, responsiveness, involvement,
- contribution to the long-term development of the company etc.

Information on the remuneration paid by Zencap AM to its employees is available in the company's annual management report and in the annual management reports of the AIFs under management.

The compliance and internal control function is responsible for analysing the impact of the compensation policy in terms of compliance, both in terms of the structuring of compensation methods and the effective application of the chosen policy. This analysis is part of the procedures and the annual internal control plan and is the subject of a specific section in the control report issued by the Compliance and Internal Control department and sent to the Supervisory Board. The Compliance and Internal Control department may be questioned by the Compensation Committee or the Supervisory Board on the compliance of changes to the Compensation policy.

This information document is intended for professional and non-professional clients within the meaning of the MiFID Directive. It may not be used for any purpose other than that for which it was designed and may not be reproduced, disseminated or communicated to third parties in whole or in part without the prior written consent of ZENCAP Asset Management. No information contained in this document should be construed as having any contractual value. This document is produced for information purposes only. It is a presentation designed and produced by ZENCAP Asset Management from sources it considers reliable. The links to websites managed by third parties in this document are provided for information purposes only. ZENCAP Asset Management does not guarantee the content, quality or completeness of such websites and cannot therefore be held responsible for them. The presence of a link to the website of a third party does not mean that ZENCAP Asset Management has concluded any collaboration agreements with this third party or that ZENCAP Asset Management approves the information published on such websites. The perspectives mentioned are subject to change and do not constitute a commitment or a guarantee. ZENCAP Asset Management reserves the right to modify the information presented in this document at any time and without notice. ZENCAP Asset Management shall not be liable for any decision taken or not taken on the basis of any information contained in this document, nor for any use that may be made of it by a third party.

Zencap Asset Management is an asset management company approved by the AMF (approval n° GP-11000024)



www.zencap-am.fr