

REMUNERATION POLICY

Update: March 2021

Societe Generale Private Wealth Management (hereafter "SGPWM"), a management company and wholly-owned subsidiary of Societe Generale Luxembourg, includes its remuneration policy within the framework of the remuneration policy of the Societe Generale Group. The latter aims to make remuneration an effective lever for attracting and retaining employees who contribute to the long-term performance of the company while ensuring appropriate risk management (including sustainability risks) and compliance by employees.

This policy takes into account, for SGPWM, the provisions relating to remuneration contained in Directives 2011/61/EU of the European Parliament and of the Council of June 8, 2011 (hereafter "AIFM Directive") and 2014/91/EU of the European Parliament and of the Council of July 23, 2014 (hereafter "UCITS V Directive"), applicable to the fund management industry.

1. COMPENSATION GOUVERNANCE

SGPWM's compensation policy is in line with the principles and orientations of Societe Generale Group's compensation policy and is reviewed annually. It is defined by SGPWM's Executive Board, in agreement with the Human Resources Department of SG Luxembourg. SGPWM's Supervisory Board validates this policy.

1.1 Annual review of compensation

The annual review of the individual situations of SGPWM's employees is part of the Société Générale Group's annual process (fixed compensation plus, where applicable, variable compensation and/or performance shares). This process is coordinated by the Human Resources Department of SG Luxembourg and the validation of this annual review exercise is integrated into the Remuneration Committee of SG Luxembourg. Subsequently, the annual remuneration review process is globally validated by SGPB, LYXOR/PWI and by the Human Resources Department of the Société Générale Group.

The legal and regulatory obligations in force in Luxembourg are taken into account in this process.

1.2 The role of control functions

SGPWM's control functions, Risk, Internal Control and Compliance Departments are involved to varying degrees in the annual compensation review process. In particular, these functions are involved in the following manner:

- The Risk and Compliance Departments assess risk and compliance management and give their opinion on the way in which the main risk takers take these aspects into account. In the event of a negative opinion from the Risk and/or Compliance Departments on the basis of proven and/or systematic facts, individual allocations are adjusted downwards to take account of these ratings.

The independence of the control functions with respect to the management businesses is guaranteed by their attachment to the General Management of SGPWM. This ensures the independence and objectivity of decisions taken in terms of compensation.

2. OVERALL COMPENSATION PRINCIPLES

2.1 Compliance of the compensation policy with regulatory requirements

SGPWM's remuneration policy complies with all applicable regulations, including in particular:

- Directive 2011/61/EU of the European Parliament and of the Council of June 8, 2011, transposed into the French Monetary and Financial Code by Ordinance no. 2013-676 (hereafter "AIFM Directive") ;
- Directive 2014/91/EU of the European Parliament and of the Council of July 23, 2014, transposed into the French Monetary and Financial Code by Order 2016-312 of March 17, 2016 (hereinafter "UCITS V Directive");
- Directive 2004/39/EC of the European Parliament and of the Council of April 21, 2004 on financial instruments, transposed into the Monetary and Financial Code by Order 2007-544 of April 12, 2007 (hereinafter "MIFID");
- Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability disclosures in the financial services sector ("SFDR")

The compensation policy integrates the various obligations mentioned above in the following manner:

- Consideration of risks in the determination of variable envelopes and individual allocations :
 - use of quantitative financial indicators integrating risks and market indicators to set the envelopes
 - inclusion of objectives relating to risk (including sustainability risk objectives) and compliance management and consideration of individual client interests and satisfaction ;
 - independent assessment conducted annually by SGPWM's Risk and Compliance Departments on how risks and compliance are managed for employees having an impact on SGPWM's risk profile.

Through all of the above mechanisms, there is no direct link between sales performance and variable compensation.

- Taking risks into account in deferred variable compensation schemes :
 - for staff identified under the AIFM and UCITS V Directives: variable compensation deferred by at least 40% over three years for each third party above a certain threshold; indexing of at least 50% of variable compensation to a financial instruments index; non-vested portion subject to conditions of presence, financial performance, appropriate risk management and compliance;
 - for Unidentified Personnel: above a certain threshold, variable compensation is deferred in part according to a progressive rate over three years per third and indexed to a financial instruments index; the non-acquired portion is subject to the same vesting conditions as for Identified Personnel.

2.2 Composition of compensation

Each employee benefits from a fixed remuneration. This may be supplemented by discretionary variable compensation and, where applicable, performance shares.

2.2.1 Fixed compensation

The fixed remuneration rewards the qualification, level and scope of responsibility of the position, expertise and professional experience with regard to market practices. It includes elements such as base salary and any other fixed bonus (provided that it is predetermined, transparent, maintained for the period related to the specific role or responsibilities, cannot be revoked and does not encourage risk-taking).

At the individual level, the salary review takes into account the local market context, the technical and behavioral skills required for the position, the level and scope of the employee's responsibilities in the position, promotions or changes in

responsibilities and the principle of fairness. These elements are examined during the annual review of situations. Revisions are also possible outside of the EAS as part of legal obligations.

SGPWM ensures an appropriate balance between the fixed and variable components so that the fixed component represents a sufficiently high proportion of total remuneration.

2.2.2 Variable compensation

Variable compensation is not contractual; it is awarded on a discretionary basis. It is based on individual and collective performance, and takes into account quantitative and qualitative elements defined upstream. It takes into account the quality of risk management, as well as compliance with regulations and internal compliance procedures. In order to prevent any conflict of interest, variable compensation is not directly and solely correlated to the revenues generated. It also takes into account the economic, social and competitive context.

Variable compensation can only be guaranteed in the context of external hiring. A guaranteed variable can only be granted in the year of hiring in the SG Group and only for the current performance year. It is subject to the rules of the SG Loyalty Plan with a clawback clause (i.e. a clause allowing the reimbursement of the guaranteed bonus paid, in the event of departure from the company).

2.2.3 Societe Generale performance shares

They represent an element of retention aimed at securing the loyalty of employees in the best performing support functions, with a particular focus on key talents and employees.

3. REMUNERATION PRINCIPLES APPLICABLE TO SGPWM IDENTIFIED MEMBERS

3.1 Definition of Identified members under the IAMF and UCITS V Directives

The perimeter of the Identified Members within SGPWM is composed of the following categories:

- The managers who are members of SGPWM's Executive Board
- The managers of the management centres
- The managers
- The managers and employees of the control functions (risk, internal control and compliance)

The Management of SGPWM, the Risk Management and the Internal Control and Compliance Departments of SGPWM work, in conjunction with the Human Resources Department of SG Luxembourg, on the identification of Identified Members, both in terms of the scope of the activities concerned and the targeted positions.

3.2 Structure of the variable compensation of Identified members

For identified members under the AIFM and UCITS V Directives, the structure of variable compensation includes, in accordance with regulations and when the variable exceeds a certain threshold, a variable compensation component:

- An unearned portion subject to conditions of presence, performance, appropriate risk management and compliance, vested over three years by one third, with a minimum deferral rate of 40%;
- NB: When one of the vesting conditions set forth above is not met, this non-acquired portion may be reduced or even cancelled in full.

For identified members under the AIFM and UCITS V Directives, the structure of variable compensation includes, in accordance with regulations and when the variable exceeds a certain threshold, a variable compensation component:

- A non-acquired portion subject to conditions of presence, performance, appropriate risk management and compliance, acquired over three years by a third party, with a minimum deferral rate of 40%;
- NB: When one of the vesting conditions set forth above is not met, this non-acquired portion may be reduced or even cancelled in full.
- A grant of more than 50% indexed on a financial instruments index reflecting the performance of the funds managed by SGPWM (or "PWM index", see 3.3 below), i.e. 50% of the vested portion and two-thirds of the non-vested portion.

In fine, the portion paid immediately in cash does not exceed 30%.

From 100,000€ of total variable compensation, the variable compensation scheme applied is as follows, depending on the category of personnel:

Variable over 100 kEUR	Non-deferred part		Deferred part		
	Year N		Year N+1	Year N+2	Year N+3
Identified Members	(30%)* Cash <i>Paid in March N</i>	(30%)* PWM Index <i>acquired in March N paid in October N</i>	(13.3%)* Cash <i>Paid in March N +1</i>	(13.3%)* PWM Index <i>acquired in March N+2 paid in October N+2</i>	(13.3%)* PWM Index <i>acquired in March N+3 paid in October N+3</i>
Non Identified Members	Cash <i>Paid in March N</i>		(33.3%)** Cash <i>Paid in March N +1</i>	(33.3%)** PWM Index <i>acquired in March N+2 paid in October N+2</i>	(33.3%)* PWM Index <i>acquired in March N+3 paid in October N+3</i>

*Percentage of total individual variable compensation

** Percentage of the deferred portion of individual variable compensation

The performance conditions applicable to SGPWM are reviewed and proposed annually by Societe Generale Group's Finance Department and then validated by SGPWM's Supervisory Board.

3.3 Indexation of a portion of the variable compensation to the "PWM Index"

SGPWM has set up an indexation mechanism on a "PWM index" for Identified and Unidentified Personnel who benefit from a deferred variable compensation. This indexation mechanism on the performance of a basket of funds ensures the alignment of the interests of the employees with those of the investors.

The basket on which this index is based is composed of funds representative of SGPWM's activity and performance and includes both FIA and UCITS funds. The composition of the index is as follows:

Fund Description	Type of fund	Weighting
Moorea Gestion Patrimoniale share class RE - LU0538387076	UCITS	20%
Moorea Euro High Yield Short Duration share class RE - LU0979136255	UCITS	20%
Moorea Euro, Fixed Income share class RE - LU1023727867	UCITS	20%
Moorea Floating Rate Income share class RE - LU1115951946	UCITS	20%
Talents 2001 - LU0123475377	AIF	20%

SGPWM has set up an Index Committee, composed of the following members:

- The Investment Director of Société Générale Private Banking (SGPB)
- SG29 Haussmann Investment Director (SG29H)
- The Chief Financial Officer of SG Luxembourg
- A compensation specialist from the Human Resources Department of SG Luxembourg
- A representative of the Human Resources Department of PRIV Luxembourg

The members of SGPWM's Executive Board are also permanent guests of this committee.

The Index Committee meets at least once a year to determine the composition and weighting of the funds making up the basket of funds (or "PWM Index"), which is used as an instrument for indexing part of the variable compensation. It may also intervene in the event of an event affecting the index in order to ensure the proper functioning of this index throughout its life.

In addition, the valuation of the PWM index is validated by SG Luxembourg's Finance Department.

This ensures an independent review of the composition, weighting and valuation of the index and thus prevents any conflict of interest.