



BANOR REMUNERATION POLICY

BANOR CAPITAL LIMITED

Under Article 3 of the Sustainable Finance Disclosure Regulation (“SFDR” or the “Regulation”) Banor Capital Limited (“Banor” or “we”) must publish on its website information about its policies on the integration of sustainability risks in its investment decision-making process, the consideration of adverse sustainability impacts, the promotion of environmental or social characteristics, and sustainable investment. This document addresses Article 5 of the Regulation:

- *“Financial market participants and financial advisers shall include in their remuneration policies information on how those policies are consistent with the integration of sustainability risks and shall publish that information on their websites”.*

SUMMARY

This document summarises how Banor manages remuneration in line with its business strategy and ensure a consistency of approach within the Firm to attract, retain and reward employees for contributing to the Firm’s success, whilst maintaining financial stability and robust and effective risk management.

The Remuneration policy adopted by the Firm is in line with the requirements under the AIFMD, MIFIDPRU and the FCA Handbook (SYSC 19B and SYSC 19G).

The Firm aims to ensure that its Remuneration policy is risk focused and promotes sound and effective risk management, as well as discourage risk-taking which is inconsistent with the risk profiles of the funds and portfolios it manages, and to avoid conflicts of interest.

REMUNERATION POLICY CONSIDERATIONS IN RELATION TO THE INTEGRATION OF SUSTAINABILITY RISKS

Banor’s Remuneration policy promotes sound and effective risk management with respect to sustainability risks, ensuring that the structure of remuneration does not encourage excessive risk-taking with respect to sustainability risks.

Employees are assessed and rewarded for their achievement against a range of financial and non-financial goals, including risk management. Where applicable, the risk management goal will include a consideration of sustainability risk. Where sustainability risks form part of an employee’s performance objectives, they are taken into account which in turn is one of the factors that determines an employee’s total remuneration.

REMUNERATION

Employees’ remuneration usually consists of a base salary (or fixed compensation) and, in some cases, performance related variable compensation.

Base salary compensation is predominantly based upon the employee’s professional experience and organisational responsibility as set out by their job description and terms of employment. In addition to their base salary, employees may be eligible to receive variable compensation that reflects performance in excess of that required to fulfil their job description and terms of employment. Variable compensation will only be

awarded when it is sustainable to the Firm's overall financial situation and taking into account any known future events, the performance of the Firm, the business unit and the employee.

In order to promote effective risk management and discourage risk taking that exceeds tolerated levels, the Firm will consider the following, where appropriate, when awarding variable compensation:

- Assessment of performance under the Responsible Investment policy. This will be based on how the employee integrates sustainability risk into the investment decisions making process. In addition, the extent to which the employee promotes the principles set out within our Responsible Investment policy in the management of funds and portfolios will also be considered
- Assessment of how the employee has contributed to the sustainability objectives of the Firm thereby reducing sustainability risk
- Performance against risk objectives set
- Compliance by employees to regulations and best practice

Furthermore, in order to encourage behaviours in line with the business strategy, objectives, values and long-term interests of the Firm, the Firm will also consider the following when awarding variable compensation:

- Performance against business objectives set
- Key risk indicators, assigned to teams and individuals
- Behaviours displaying the core values of the Firm
- Treating customers fairly

The Firm's risk management strategy and tolerance is stated in its Risk Framework. Operating within the scope of the Firm's risk framework is a pre-requisite to the award of any variable compensation.

AVOIDING CONFLICTS OF INTEREST

To avoid conflicts of interest, variable compensation is not linked to sales or volumes but determined by the employee's performance against set objectives which will take into account a number of different factors including a good standard of compliance, treating customers fairly and quality of services to clients.

In addition, Banor considers the effect of potential conflicts of interest on remuneration in a way that is consistent with the integration of sustainability risk, including, but not limited to, any activities that give rise to greenwashing, misselling, or misrepresentation of investment strategies.

GOVERNANCE

The Board will review annually, at least, the Remuneration policy and is responsible for overseeing its implementation.