REMUNERATION POLICY

BANOR CAPITAL LIMITED

The Sustainable Finance Disclosure Regulation ("SFDR" or the "Regulation") entered into force on 10 March 2021. The Regulation requires fund managers like Banor Capital Limited ("Banor", the "Firm" or "we"), as an authorised Alternative Investment Fund Manager ("AIFM"), to provide information to investors with regard to the integration of sustainability risks, the consideration of adverse sustainability impacts, the promotion of environmental or social characteristics, and sustainable investment.

This document specifically 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 (the "Policy") adopted by the Firm is in line with the requirements under the Alternative Investment Fund Managers Directive ("AIFMD"), Investment Firms Prudential Regime ("IFPR") and the Financial Conduct Authority's ("FCA") handbook (SYSC 19B and SYSC 19G).

The Firm aims to ensure that its 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 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 risks. 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 determine an employee's total remuneration.

REMUNERATION

Remuneration of the employees having a material impact on the managed funds' risk profile comprises of fixed and variable remuneration. Remuneration levels shall be justified according to performance of the individual concerned. The total amount of variable remuneration shall be based on a combination of the assessment of the performance of the employee and the overall results of the fund(s), as well as the conduct of the employee under the internal procedures and compliance requirements applicable.

Where relevant, this includes an assessment of the performance of the employee under Banor’s Responsible Investment Policy. Assessment of performance under the Responsible Investment Policy is discretionary and shall be based on (i) how the employee integrates sustainability risk into investment decisions, and (ii) the extent to which the employee promotes the principles set out in the Responsible Investment Policy, thereby reducing sustainability risk and contributing to the sustainability objectives.

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 reviews the Policy annually and is responsible for overseeing its implementation.