

Fearnley Asset Management AS



Remuneration Policy

Approval and Effective Date: 23.05.2024

Remuneration policy

Purpose

The Company's remuneration scheme shall serve to promote sound management and control of the Company's risk and shall not encourage excessive risk taking on the part of employees (in all aspects of its activities that relate to the services which are subject to public authorisation). The Chief Executive Officer is, together with the Board of Directors, responsible for the Company's remuneration scheme.

1. Remuneration committee

The Company has not appointed a remuneration committee, under reference to the Company's size, its amount of funds under management and its business areas, cf. Section 4-2 (5) of the AIFM Regulations. The Board of Directors shall assess, at least once a year, whether the Company needs to appoint a remuneration committee.

2. Remuneration scheme

The Board of Directors shall establish and ensure that the Company does at any given time have and practise guidelines and limits on remuneration arrangements which shall apply throughout the Company. The remuneration scheme shall promote sound and effective risk management and control in accordance with the investment mandates for the alternative investment funds under management. The remuneration scheme shall be tailored to the scope, scale and complexity of the activities.

The remuneration scheme shall include, at a minimum:

A specification of senior managers (including, *inter alia*, the Chief Executive Officer), employees and directors whose actions have a material impact on the risk exposure of the Company, employees and directors with control duties, as well as other employees and officers whose remuneration corresponds to that of senior managers and employees whose actions have a material impact on the risk exposure of the Company (hereinafter referred to as "**Selected Employees**").

Specific rules for Selected Employees, including a specification of the principles governing the relationship between variable and fixed remuneration if variable remuneration is used.

Criteria for determining any variable remuneration, including limits and guidelines for the payment of such variable remuneration.

Specific rules for the Chief Risk Officer whose remuneration shall not be linked to results for funds or mandates under management, in order to ensure a sufficient degree of independence from the Company's portfolio management.

The remuneration scheme shall be assessed on a regular basis and the Company's compliance therewith shall be confirmed by an independent compliance function on an annual basis.

3. Reporting

The Company shall make information on the Company's remuneration scheme public, including information on the main principles for the determination of remuneration.

The Chief Executive Officer is responsible for follow-up of the duty to make such information public and for developing specific procedures and guidelines for making such information public.

Approval and Effective Date

This policy has been approved by the general manager of Fearnley Asset Management and is effective as of 23.05.2024.