



Remuneration Policy

Remuneration Principles

Mori Capital Management Limited's (Mori's) remuneration policies and practices shall comply with the following key principles which are in line with regulatory standards:

- I. Harmonised with the business strategy, objectives, values and long-term interests of Mori.
- II. Consistent with and promote sound and effective Risk Management.
- III. Incorporate measures to avoid Conflicts of Interest.
- IV. Recognise appropriate remuneration limits for employees whose professional roles may have a substantial impact on the risk profile of the Mori.
- V. Do not encourage risk-taking that exceeds the level of tolerated risk of Mori;
- VI. Disclose qualitative and quantitative remuneration policies.

Applicability of Remuneration Principles

Mori's remuneration policies and practices are reviewed annually by the Members of the Board who have experience in risk management and remuneration. The Compliance Officer would also annually review the implementation of the remuneration policy. Both the Board and the Compliance Officer take into account Mori's business model and the risks it faces when applying the proportionality principle. Given the limited size, scope and nature of Mori's activities certain rigid provisions related to Remuneration (*i.e., the retention or deferral of variable remuneration, to defer remuneration and/or drawings over a period of time or to pay a portion of remuneration and drawings in instruments*) were not deemed to be applicable to Mori's operations.

Identification of Remuneration Staff

The identified staff who have a material impact on the Company are:

- I. Executive and non-executive members of the governing body of the Licence Holder, depending on the legal structure of the Licence Holder such as: directors, and executive and non-executive partners;
- II. Senior management;
- III. Control functions;



- IV. and staff responsible for heading the Portfolio Management, Administration, Marketing, Human Resources.

Due to Mori's small size there is no need to set up a remuneration committee and it has identified all of its staff professional activities as having a material impact on their risk profile. Thus, all of Mori's staff are provided with a copy of this document on an annual basis.

Remuneration Policies

When deciding on the amount of remuneration and/or discretionary drawings to be paid to every member of staff the Board shall take into consideration the elements listed below:

- I. **Individual Staff Contribution and Ownership of Responsibility** which obtain positive results for Mori must be looked at over a multi-year period.
- II. **Competitive or above General Market Level Base Salaries and Drawings** are justifiable and essential to Mori's success when attracting and retaining valuable staff members.
- III. **The Reliability** of each individual staff member to get the job done with supervision appropriate to their experience.
- IV. **Mori's Financial Success** shall be shared by all effective staff members, however, Mori's financial failures would result in a fall or no discretionary distributions to all staff members.

Remuneration Alignment

Mori has considered the impact of remuneration policies on its capital requirements, RMICAAP and monitoring programme. Any bonuses and discretionary drawings shall only be paid out by Mori to staff members once all capital and liquidity regulatory requirements are satisfied and fees are collected. Mori has applied principles of proportionality when implementing its remuneration policies in order meet core regulatory objectives without creating undue administrative overheads or complexities.

Staff members are remunerated in two different manners:

- I. basic **fixed remuneration**, reflects relevant professional experience and organisational responsibility as set out in an employee's job description as part of the terms of employment; and
- II. **variable remuneration** reflects a sustainable and risk appropriate performance as well as performance in excess of that required to fulfil the employee's job description as part of the terms of employment.



The fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration.

The total variable remuneration shall not limit the ability of the Mori to strengthen its capital base. In fact, the variable remuneration accounts for all types of current and future risks. Furthermore, the variable component shall not exceed 100% of the fixed component of the total remuneration for each individual.

Where remuneration is performance related, the total amount of remuneration is based on a combination of the assessment of the performance of the individual and of the business unit concerned and of the overall results of Mori. Financial and non-financial criteria are taken into account.

Where the assessment of the performance is set in a multi-year framework in order to ensure that the assessment process is based on longer-term performance and that the actual payment of performance-based components of remuneration is spread over a period which takes account of the underlying business cycle of the Licence Holder and its business risks