

Oakley Capital Manager S.à r.l. Remuneration Policy

October 2024

1 INTRODUCTION

Oakley Capital Manager S.à r.l. (the “**AIFM**” or “**Company**”) is a limited liability company (*société à responsabilité limitée*) that is authorised by the Luxembourg Financial Sector Supervisory Commission (“**CSSF**”) as an AIFM under the Alternative Investment Fund Managers Law (“**AIFM Law**”) dated 12 July 2013.

This Remuneration Policy (the “**Policy**”) is applicable to the members of the AIFM’s Board, its Conducting Officers and any other risk taker collectively referred to herein as “**Identified Staff**” and identified within section three of this document. At the time of writing this Policy, the AIFM has 3 direct employees.

The Company is the AIFM of Oakley’s Luxembourg Fund partnerships which are registered Alternative Investment Funds (“**AIFs**” or “**Funds**”).

The purpose of this Policy is to implement the requirements of the European Securities and Markets Authority (“**ESMA**”) set out within the ESMA/2013/201 and ESMA/2013/232 guidelines on sound remuneration policies under the Alternative Investment Fund Managers Directive (“**AIFMD**”).

More specifically, the AIFM has developed and implemented this Policy in relation to its investment management activities vis-a-vis the various compartments of the Funds that:

- are consistent with and promote sound and effective risk management of the Funds;
- do not encourage risk-taking which is inconsistent with the risk profiles/ rules governing the Funds;
- do not impair compliance with the AIFM’s duty to act in the best interests of the Funds and its Investors;
- is intended to avoid the creation of potentially conflicting interests; and
- prevent the AIFM from circumventing the AIFM Law, the AIFM remuneration requirements as set forth in the AIFM Regulation and the ESMA Guidelines (together the “**AIFM Remuneration Requirements**”).

For the purposes of this Policy, “remuneration” consists of:

- (i) all forms of payments or benefits made by the AIFM to an individual,
- (ii) any amount paid by the Funds, including performance fees, or carried interest to an individual, and
- (iii) any transfer of interests of the Funds to an individual,

in exchange for professional services rendered by the Identified Staff defined in section three below.

Remuneration can be divided into:

- (i) **Fixed Remuneration** – remuneration that primarily reflects an individual’s professional experience and organisational responsibility as set out in their job description and terms of employment and is not impacted by performance criteria; and
- (ii) **Variable Remuneration** – remuneration that reflects performance beyond expectation and that is subject to performance adjustment or, in certain cases, other contractual criteria.

Both components of remuneration (fixed and variable) may include:

- (i) monetary payments or benefits (such as cash, shares, options, cancellation of loans to staff members at dismissal, pension contributions);
- (ii) non (directly) monetary (such as discounts, fringe benefits or special allowance for car, mobile phone or other benefits in kind).

2 PROPORTIONALITY

The AIFM's remuneration framework has been designed to avoid circumvention of the AIFM Remuneration Requirements as appropriate considering its size, internal organization and the nature, scope, and complexity. The AIFM has assessed the criteria relevant to the application of proportionality in the implementation of remuneration principles as follows:

Size of the AIFM and its Funds

The AIFM operates from a single location and has four conducting officers for the current AIFs intended to be managed. The total number of employees are expected to remain below twenty-five for the foreseeable future.

Considering the combined AUM of the AIFM and the Funds, it is considered that the AIFM and the Funds are small in scale and not of systemic importance.

Internal organisation of the AIFM and the Funds

The Funds are structured as a series of Luxembourg special limited partnerships and each following private equity investment strategies. Neither the AIFM nor the Funds are listed on a regulated market. It is also considered that the internal organisation of the AIFM and the Funds are not complex.

Nature, scope, and complexity of activities of the AIFM and the Funds

The Funds follow an investment strategy which is typical of private equity and venture capital funds. The Funds focus on acquisitions of, or investments in, European companies. This investment strategy is not considered by the AIFM to be complex as this is within its core expertise. Investments in private equity funds carry inherent risks (when compared, for example, to investments in publicly listed companies), although the risks to which the Funds are subject are not especially complex or high in that they primarily arise from the commercial success or failure of its portfolio companies as a whole.

Conclusions

Having regard to the above characteristics of the AIFM and the Funds, it is considered that each are small in scale and not complex. Therefore, in line with the proportionality principle, the AIFM will disapply the following requirements relating to remuneration:

- a. the obligation to pay part of the variable remuneration in instruments;
- b. retention obligations;
- c. deferral obligations;
- d. ex post incorporation of risk for variable remuneration;
- e. obligation to establish a remuneration committee.

3 IDENTIFIED STAFF

The AIFM's remuneration framework as set out within this Policy only apply to individuals whose professional activities can have a material impact on the risk profile of the AIFM and the Funds. The key persons within the scope of this policy, the Identified Staff hereafter "**Staff**", include:

- Members of the Board;
- Conducting Officers of the AIFM; and
- Control functions (meaning the risk associate, the compliance officer and the internal auditor as well as any similar functions)

The table of Identified Staff below will be updated from time to time at the registered office of the AIFM.

Individuals to whom this policy applies as at current version

Identified Staff
Members of the Board of the AIFM
Conducting Officers of the AIFM
Compliance Officer of the AIFM
Internal Auditor

4 PAYMENT OF VARIABLE REMUNERATION

None of the AIFM staff involved in the management of the Funds will be remunerated by the Funds directly. The Fund GP will remunerate the AIFM for its services and the AIFM will in turn remunerate the persons involved in the operation management of the Funds via the terms of their employment contracts.

At the time of establishment, the AIFM does not intend to, contractually or otherwise, make variable remuneration payments to Identified Staff. The AIFM may in future provide for discretionary variable remuneration payable to employees, such variable remuneration being independent of the performance of the Funds. Staff are compensated in accordance with the achievement of the objectives linked to their functions, independent of the performance of the business areas they control.

Since the variable remuneration is not based on the performance of the managed AIFs, there is no risk of misalignment with the overall risk nor sustainability risks associated with the investment decision making process of the Company in respect of the AIFs.

5 SUSTAINABILITY RISK

The Company is required to establish and implement a remuneration policy and effective risk management, including long-term Sustainability risk.

In both qualitative and quantitative terms, the Policy promotes sound and effective risk management with respect to sustainability risks whereas the structure of remuneration will not encourage excessive risk-taking with respect to sustainability risks and will be linked to risk-adjusted performance.

In addition, where potential remuneration-related conflicts of interests are identified, they are monitored and registered in OCMS conflicts of interests register ("**Col Register**"). For each potential conflict of interest,

mitigating measures are identified and recorded and the Company keeps the Col Register updated and available for consultation upon request.

This Policy is consistent with the Company's approach to the integration of sustainability risks into the investment decision making process to ensure sound and effective risk management. As sustainability risks are a type of financial risk, the Company acknowledges that failure to consider such risks, like other financial risks, could have an adverse impact on the performance of funds managed by the Company.

The Company's remuneration arrangements seek to reward long term performance and require all staff to have regard to the Company's ESG policies and guidelines. The Company does not currently employ any investment professionals however, as a general principle applicable to other Oakley Group entities which do employ investment professionals, remuneration arrangements are constructed in such a way that the individuals are compensated through a combination of fixed and variable remuneration and the structure of remuneration is designed to align the long-term interests of investment professionals with the funds that they manage to avoid excessive risk taking, including with respect to sustainability risks.

To the extent that sustainability risks may have an adverse impact on performance, this is likely to be reflected in the overall level of variable remuneration awarded to staff.

6 GOVERNANCE OF REMUNERATION AND ONGOING MONITORING

The Board of the AIFM is responsible for the design and implementation of this Policy and reviews it on at least an annual basis as part of its supervisory function. No member of the Board can nor will be allowed to determine and make decisions as it relates to their personal individual remuneration, to avoid conflicts of interest.

7 DISCLOSURES

The AIFM will provide quantitative and qualitative internal and where applicable external disclosures on remuneration in line with applicable regulatory requirements.

8 REVIEW AND AMENDMENTS OF THE REMUNERATION POLICY

This Policy and the implementation thereof will be reviewed and presented to the Board at least annually for their review. In reviewing the Policy, the Board will consider whether the remuneration framework continues to operate as intended and that the risk profile, long-term objectives, and goals of the AIFM are adequately reflected.

Limitations

To ensure the effectiveness of risk alignment, Identified Staff are not permitted to buy an insurance contract which compensates them in the event of a downward adjustment in remuneration. More generally however, this would not prohibit insurance designed to cover personal payments such as healthcare and mortgage instalments (provided that the mortgage coverage concerns health-related circumstances that personnel do not compromise their independence and supervisory function and management body.