

Remuneration Policy and the Integration of Sustainability Risks

CII is required to publish on its website how its remuneration policy is consistent with sustainability risk or, in other words, how CII aligns its remuneration policy with ESG (environmental, social and governance conditions).

Remuneration means all forms of payments or financial or non-financial benefits provided directly or indirectly by firms to relevant persons in the provision of investment or ancillary services to clients. CII's remuneration policies and practices aims at encouraging responsible business conduct, fair treatment of clients as well as avoiding conflict of interest in any relationship with clients. The Policy identifies staff ("identified staff") whose activities have a material impact on the business and as a result, on CII's clients. CII's approach to implementing and maintaining a remuneration policy and practices is consistent with and promotes, sound and effective risk management.

The Board of Directors has overall responsibility for the Firm's Remuneration Policy to include design and implementation and ensures that the overall remuneration system is operating as intended, remuneration payments are appropriate, CII's risk profile and long term objectives are accurately reflected and industry best practice and guidelines are adhered to. Any variable element of remuneration is subject to the approval of the Board.

Remuneration and similar incentives take account of both quantitative commercial criteria and qualitative criteria, reflecting compliance with the applicable regulations, the fair treatment of clients and the quality of services provided to clients. A balance between fixed and variable components of remuneration is maintained at all times, so that the remuneration structure does not favour the interests of the investment firm or its relevant persons against the interests of any client. Remuneration takes the form of a fixed base salary and CII may, at its discretion, award a variable reward component from time to time.

Fixed remuneration is determined on the basis of the role and position of the individual employee, including professional experience, responsibility and local market conditions. If paid, variable remuneration may be disbursed as cash bonus, shares, share based instruments, including conditional shares and other generally approved instruments, all on the basis of applicable local legislation, again, at the discretion of the Firm.

CII ensures that it does not remunerate or assess the performance of its staff in a way that conflicts with its duty to act in the best interests of its clients. Performance based, or variable, remuneration is awarded in a manner which promotes sound risk management and does not induce excessive risk-taking.