

Remuneration Policy

Remuneration policy of Universal-Investment Ireland Fund Management Limited

Universal-Investment Ireland Fund Management Limited ("Universal Investment") is subject to the prudential requirements applicable to management companies as regards the structuring of its remuneration system. Universal Investment has detailed the structure of its remuneration policy in a remuneration guideline that aims to ensure a sustainable remuneration system, taking into account sustainable corporate governance.

This policy is compatible with the risk management process established by Universal Investment. It does not encourage the assumption of excessive risks (including sustainability risks) that are incompatible with the risk profiles and the prospectuses of the funds managed by Universal Investment, nor does it prevent Universal Investment from dutifully acting in the best interests of any fund it manages.

This policy is consistent with the business strategy, risks (including sustainability risks), goals, values and interests of Universal Investment, the funds it manages and the investors in such funds and includes measures to avoid conflicts of interest. Universal Investment's remuneration process, which include fixed and variable remuneration elements, is reviewed at least once a year by the Board of Directors of Universal Investment (the "Board") for suitability and compliance with all statutory provisions.

The variable bonus pool is based on quantitative and qualitative criteria determined by the Board, as well as on the profitability of Universal Investment. The variable bonus pool is then assigned to the various business areas/business departments of Universal Investment and the individual employees, taking their performance into account.

The distribution of the variable bonus pool to all eligible employees is based on (i) the importance of their role and the activity carried out, and (ii) the performance and achievement of individual goals.

Other criteria that are taken into account when determining variable remuneration are external benchmarks (if available). Universal Investment can decide not to pay out any variable remuneration if Universal Investment, or the employee concerned, has not met the performance criteria or individual goals.

When it comes to the achievement of goals determined as part of employee performance assessments, the focus is on sustainable business development and the protection of Universal Investment, and the funds it manages, from excessive risks (including sustainability risks). Above all, no incentives to take excessive risks (including sustainability risks) should be created. The aim of the remuneration process is to both control operational risk components of Universal Investment and the funds it manages, and also to increase efficiency, productivity and overall quality of work through clearly structured processes, automation and defined responsibilities. The variable remuneration elements are not linked in any way to the performance of the funds managed by Universal Investment.

Fixed and variable remuneration components are, at all times, appropriate and balanced. The share of the fixed component in the total remuneration is appropriately allocated, and

bonus payments are never guaranteed. They remain discretionary/flexible, with Universal Investment having the option of not paying variable remuneration in any given year.

The Board has a final right to decide on the allocation of variable remuneration. In addition to the aforementioned remuneration elements, employees of Universal Investment can also receive employer benefits in kind and pension benefits.

Specific rules apply to the Board and employees of Universal Investment whose activities are deemed to have a significant influence on Universal Investment's overall risk profile, and on the funds managed by it ("risk takers"). Employees who can have a decisive influence on the risk and business policy of Universal Investment and its funds have been identified as risk takers and a defined process is in place to identify such individuals.

The variable remuneration of risk takers, provided it exceeds a certain exemption limit, is paid out over a period of several years in order to ensure that the payment of the remuneration is based on the long-term performance of the funds managed by Universal Investment, and their investment risks. For these employees, at least 40 percent of the variable remuneration must be deferred for a minimum period of three years. During this period, the deferred portion of the remuneration is risk-dependent and is also dependent on the financial sustainability of Universal Investment (i.e. it may be reduced if the employee or Universal Investment makes negative profit contributions (penalty test)). At the end of the deferral period, the deferred remuneration portion becomes proportionally vested and is paid out to the relevant risk taker on the respective payment deadline.

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