

REMUNERATION POLICY STATEMENT

(UNDER ARTICLE 69 UCITS DIRECTIVE)

First Sentier Investors (Ireland) Limited

July 2024



1. Context

First Sentier Investors (“**FSI**”) operates through various legal entities in the Americas, Asia, Australia, and EMEA and advises on and manages assets across a diverse range of global asset classes on behalf of institutional investors and pension funds, wholesale distributors and platforms, financial advisors and their clients.

First Sentier Investors (Ireland) Limited (the “**Company**”) is authorised to carry out the functions of an alternative investment fund manager pursuant to the AIFMD Regulations¹ and a UCITS management company pursuant to the UCITS Regulations².

As a management company, the Company must ensure that a sound and prudent remuneration process is applied which does not impair compliance with the Company’s duty to act in the best interest of its funds under management and takes into consideration the need to align risks in terms of risk management and exposure to risk.

All companies within the First Sentier Investors Group are subject to First Sentier Investors Holdings Pty Limited’s Remuneration Policy (the “**Group Remuneration Policy**”). In addition to the Group Remuneration Policy, the Company is obliged to establish, implement and maintain a remuneration policy (the “**Policy**” or the “**Remuneration Policy**”) which is in accordance with the requirements of Annex II of the AIFMD³ and Articles 14a and 14b of the UCITS Directive⁴, together with any related ESMA Guidelines⁵ (together, the “**Remuneration Requirements**”).

The Company acts as alternative investment fund manager (“AIFM”) / UCITS management company (as applicable) to a number of funds, referred to herein as the “**Funds**”.

This Statement is provided in accordance with the requirements of Article 69 of the UCITS Directive.

2. Purpose of Policy

The Policy outlines how the Company should structure its remuneration practices to align with sound and effective risk management. The Policy aims to ensure that the Company does not encourage excessive risk-taking, which could lead to financial instability and systemic risks in the markets.

The Remuneration Requirements are based on the principles of proportionality and transparency. They recognise that the risks and activities of relevant entities vary, and therefore, the Company’s remuneration policies should be commensurate with its level of risk and complexity. The Policy sets

¹ European Union (Alternative Investment Fund Managers) Regulations 2013, as amended

² European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended

³ Alternative Investment Fund Managers Directive (2011/61/EU), as amended

⁴ Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended

⁵ ESMA Guidelines on sound remuneration policies under the AIFMD (ESMA/2013/232) and the UCITS Directive (ESMA/2016/575), as relevant

out a framework for how the Company should identify, measure, and manage the risks associated with its remuneration practices, and how it should disclose this information to stakeholders.

The Remuneration Policy is also designed to promote good governance and accountability. It establishes standards for how the Company ensures that its remuneration practices are aligned with the overall business objectives and risk management strategies of the Company.

3. General Principles

The general principles upon which the Policy is formulated are as follows:

- I. The Policy is intended to be consistent with and promote sound and effective risk management (to include sustainability risk taking, which is defined as an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of an investments in the Funds);
- II. The Policy is intended not to encourage risk-taking inconsistent with the risk profile, rules or constitutional documents of the Company or the Funds;
- III. The Policy is not intended to impair the Company's compliance with its duty to act in the best interests of the Funds; and
- IV. The Policy is intended to be consistent with the business strategy, objectives, values and interests of the Company, the Funds, the investors in the Funds and include measures to avoid conflicts of interest.

The Company also recognises that while certain of the Remuneration Requirements apply on a Company-wide basis (such as remuneration policies and governance arrangements) and certain requirements apply in relation to particular members of staff, the regulatory obligation for compliance is on the Company and not the individual staff member (whose obligations are as set out in documents including their contract of employment, variable pay plan rules, FSI policies).

4. Definition of "Remuneration"

The Remuneration Policy applies to any form of remuneration associated with services provided to the Company or the Funds, including salaries, discretionary pension benefits and benefits of any kind. For these purposes, any remuneration is either 'fixed remuneration' (payments or benefits without consideration of any performance criteria such as salary and benefits) or 'variable remuneration' (additional payments or benefits depending on performance or, in certain cases, other contractual criteria). The Policy also applies to remuneration of any type paid either by the Company or the Funds, or any transfer of units/shares of the Funds for the benefit of the relevant Identified Staff.

5. Identified Staff of the Company

The Remuneration Policy applies with respect to Identified Staff and the Company is responsible for determining which individuals are Identified Staff.

"**Identified Staff**" are (a) categories of staff whose professional activities have a material impact on the Company's risk profile or the risk profiles of the Funds and (b) categories of staff of the entity(ies)

to which investment management activities have been delegated by the Company, whose professional activities have a material impact on the risk profiles of the Funds.

The categories of staff include but are not limited to senior management, risk takers, control functions (staff responsible for risk management, compliance, internal audit and similar functions) and any employees receiving total remuneration taking them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profile of the Company or the Funds.

6. Principles Affecting Pay Structure and Risk Alignment

The Remuneration Requirements contain, for Identified Staff, requirements regarding the following:

- (i) the balance of fixed and variable remuneration;
- (ii) for performance related remuneration, the basis for assessing performance, which:
 - a. must be set in a multi-year framework; and
 - b. should include consideration of financial and non-financial criteria; and
 - c. should include consideration of both individual performance and the overall performance of the Company and/or Fund(s) as and where appropriate;
- (iii) the need for a comprehensive adjustment mechanism to integrate all relevant types of current and future risks.
- (iv) a requirement for a portion of variable remuneration awards to be in the form of instruments / interests (i.e., non-cash form);
- (v) requirements regarding retention and deferral arrangements of variable remuneration;
- (vi) the ability to make performance adjustments to variable remuneration, including malus (such as reducing or forfeiting the incentive award, including any unvested deferred award prior to the award vesting) and/or Clawback (which would require an employee to repay on demand an incentive they have received); and
- (vii) the requirement that employees are prohibited from hedging, or otherwise limiting, their economic exposure to market-based price risk in relation to any unvested market-exposed remuneration

These requirements, and the general principles set out above, are taken into account when determining the remuneration arrangements of each Identified Staff member. The governance process of that determination is described below. This process seeks to ensure that, amongst other things:

- the fixed and variable components of remuneration are appropriately balanced such that (a) the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no bonus, for instance where the FSI Group or Company suffers adverse financial performance and (b) the balance between the fixed and variable

components of remuneration does not favour the interests of the Company's or Identified Staff's own interests against the interests of any investor in the Funds.

- variable remuneration is discretionary and measured against delivery on both business objectives and risk management compliance as well as our Values, measured through individual performance assessments. Business objectives may include building the sustainable profitability of the Company and managing risk within the governance framework. Individual objectives should be consistent with overall business and department goals and the risk appetite of the Company.
- the assessment of individual performance is set within a multi-year framework and, where appropriate, includes both financial and non-financial criteria, including compliance with the Company's and relevant FSI Group policies and procedures. This assessment takes into account both quantitative and qualitative criteria and is structured in a way that Identified Staff are encouraged to act in the best interests of investors in the Funds and in accordance with the Company's policies and procedures.
- the assessments described above also take into account compliance with applicable sustainability risk policies.

7. Governance Arrangements

The Company is an indirect subsidiary of First Sentier Investors Holdings Pty Limited ("**FSI HP**"). The board of directors of FSI HP has responsibility for oversight, approval and decision-making with respect to the Group Remuneration Policy .

The People & Remuneration Committee ("PRC"), which is constituted as a sub-committee of the board of directors of FSI HP, assists that board in fulfilling its responsibilities in relation to people policies, remuneration policies and succession planning policies, including by engaging in a line by line review of proposed remuneration outcomes for Identified Staff and approving individual remuneration decisions as recommended by the FSI HP Chief Executive Officer.

First Sentier Investors UK Holdings Limited ("**FSI UKH**") is a subsidiary of FSI HP and a parent of the Company. The Board of the Company is responsible for reviewing the application of the Group Policy and this Policy, for reviewing the remuneration practices for the Company's Identified Staff and for decision-making in relation to the application of remuneration practices and processes for the Company's Identified Staff.

An executive management committee of FSI UKH (the Remuneration Assurance Committee for First Sentier Investors Europe Middle East and Africa (the "**RAC**")) provides monitoring, oversight and direction in relation to the Group Policy and practices as they apply to staff within scope of EMEA remuneration laws and regulations, EMEA Staff⁶, including the Company's Identified Staff, and ensures management information regarding EMEA Staff remuneration is available to governing

⁶ Being staff of First Sentier Investors UK Holdings Limited and its subsidiaries that are within the scope of remuneration laws and regulations

bodies (including the Board of the Company) in order to support those governing bodies in delivering against their respective responsibilities.

The Board of the Company may escalate to the FSI HP Chief Executive Officer for final resolution any matters concerning the remuneration of the Company's Identified Staff at any time, including in the event that the RAC considers that any proposed award is or might be inconsistent with legal or regulatory requirements in force from time to time or the Group Policy.

Committees at Company level

The Remuneration Requirements require the Company to establish a remuneration committee, where it is significant in terms of its size or the size of the Funds, its internal organisation and the nature, scope and complexity of its activities. The Company will, on an annual basis, consider the above factors.

The Company has currently determined that, given its limited number of staff and that lack of complexity in its internal organisation, it is not significant in these respects and therefore it is not required, and has not, established a remuneration committee.

Important Information

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