

NORTHERN TRUST FUND MANAGERS (IRELAND) LIMITED

REMUNERATION DISCLOSURE

A. PURPOSE OF DISCLOSURE

This disclosure (“Remuneration Disclosure”) is designed to provide information on Northern Trust Corporation’s (“Northern Trust’s”) remuneration policies and practices for Northern Trust Fund Managers (Ireland) Limited (“NTFMIL”)

B. REMUNERATION GOVERNANCE

The EMEA Remuneration Governance Group (“ERGG”) is the remuneration governance group for Northern Trust in EMEA. ERGG is tasked with oversight and governance of specific aspects of remuneration regulations and policies. ERGG has the responsibility to review proposals and make recommendations regarding EMEA partners remuneration. ERGG reviews and approves on an annual basis Northern Trusts Remuneration Policy. Northern Trust Corporation Compensation and Benefits Committee (“CBC”) also have an oversight over these remuneration recommendations and remuneration policy. Northern Trusts Remuneration Policy for NTFMIL is approved by NTFMIL’s Board of Directors.

C. REMUNERATION POLICY AND PRACTICES

Compensation plans are designed to reflect the quality of service delivered to clients and provide for appropriate levels of fixed and variable remuneration. In particular, total variable remuneration has been designed so as not to limit Northern Trust’s ability to strengthen its capital base. All awards made under long-term incentive plans are restricted and not transferrable or assignable by employees.

D. IDENTIFIED STAFF

NTFMIL is required to identify partners whose professional activities have a material impact on the risk profiles of the Management Company (“Company”), segregated mandates (“mandates”) or of the funds under their management and who would be categorised as Identified Staff (“Identified Staff”). Northern Trust has considered the roles and responsibilities of those partners who support the Company who are Identified Staff. These cover Board members of the Company as they are generally the only individuals who can enter into contracts for the mandates/funds and make decisions that materially impact the risk profiles of the Company, mandates or funds they manage. Northern Trust has also reviewed all members of staff directly employed by the Company to check relevant individuals are included within the Identified Staff list where they have a material impact on the risk profile of the Company, mandates or funds under management.

E. PROPORTIONALITY

NTFMIL’s remuneration policy complies with Remuneration Rules in a way and to the extent it is proportionate to the size, internal organisation, and nature, scope and complexity of its activities. In respect of size, NTFMIL has considered the value of capital and total assets under management (including any assets acquired through the use of leverage). NTFMIL has a robust governance structure and sufficient oversight is provided over all delegated activities. In respect of nature, scope and complexity of activities and that of the mandates and funds’ investment strategies, NTFMIL has considered the control and monitoring performed regarding risk management, the level of risk, delegation arrangements, fee structures and type of authorised activities.

F. FORMS OF COMPENSATION

NTFMIL ensures both fixed and variable components of total remuneration are appropriately balanced.

The vehicles used to provide variable remuneration are straightforward and non-complex and aligned to the risk profiles of the Company. All deferred awards are delivered in the form of equity through the Northern Trust Corporation Stock Plan and typically in the form of restricted stock units. In terms of deferral of variable compensation for Identified Staff (not meeting the individual proportionality threshold), Northern Trust defers at least 40% of it over a 4 to 5 year period. These instruments are subject to an appropriate retention policy of 6 months which helps align incentives with the long-term interests of Northern Trust and its clients and fund investors. Guaranteed variable compensation is paid in accordance with the relevant Remuneration Rules. The malus and clawback arrangements are clearly outlined in the deferred award terms and conditions that are a pre-condition of a Northern Trust partner accepting any deferred award.

G. QUALITATIVE DISCLOSURE

NTFMIL has a Board of Directors and employs staff. NTFMIL is also supported by a number of partners employed by companies within Northern Trust. The Directors primary role is to ensure that all decisions related to the mandates and funds under management are taken for the best interests of clients and investors respectively. NTFMIL pays its Independent Non-Executive Directors (“INEDs”) a fixed fee per annum. This fee is not related to the performance of the mandates or funds under management. A number of factors are included in determining the fee paid including the size and risk profile of the mandates and funds under management and the current market rate for Directorships of this nature. The Executive Directors and Identified Staff Partners do not receive compensation directly from the relevant Company. Nevertheless, they are Northern Trust employees and perform these duties in addition to wider responsibilities of their Northern Trust role.

NTFMIL has set a framework (the investment objective, the investment policies, the proposed investment strategies and investment limits including leverage, liquidity and credit) that achieves the necessary level of risk control over the delegate investment manager. This framework and the ongoing controls exercised by the relevant Company ensure that no persons from the delegate investment manager have the capacity to exercise a material impact on the risk profile of the mandates or funds under management. NTFMIL seeks periodic assurances from the delegate investment manager that it has an appropriate risk management focused remuneration policy in place.

H. QUANTITATIVE DISCLOSURE

The assessment of individual performance for Identified Staff is measured annually, on the basis of specific criteria.

In that respect, the following specific criteria and weighting apply:

Weight Criteria

- 25% Risk management
- 25% Management skills
- 50% Success in implementing the business plan and reaching planned goals



I. INTEGRATION OF SUSTAINABILITY RISK

In respect of the Sustainable Finance Disclosures Regulation (Regulation (EU) 2019/2088), NTFMIL values the importance of integrating Environmental, Social, and Governance ("ESG") factors into its investment, risk and remuneration processes and fundamentally believe that this is aligned with the aim of achieving long-term positive financial performance for our investors. Further information is set out in the 'Information Statement on How Our Remuneration Policy is Consistent with the Integration of Sustainability Risk.