

Loomis Sayles (Netherlands) B.V.

Loomis Netherlands Remuneration Policy and Procedures

Adopted: October 2023

Document Name	Loomis Netherlands Remuneration Policy and Procedures
Document Owner	Compliance Specialist
Contact Person	Compliance Specialist
Applicability	All employees and Identified Staff
Stakeholders / Interested Parties	Board Members, shareholders, all employees, regulators
Original Issue Date	October 2023
Current Version Issue Date	October 2023
Version Number	0.1
Approval Committee	Board Members
Date Approved	October 27, 2023
Goal	The goal of the remuneration policy is to provide a clear policy for remuneration of all employees of Loomis Sayles (Netherlands) B.V.

Contents

- 1. Introduction 1
- 2. PURPOSE 2
- 3. PERSONS COVERED BY THIS POLICY 3
- 4. FIXED AND VARIABLE REMUNERATION 4
 - Fixed Remuneration 4
 - Variable Remuneration 5
 - Review & Board Reporting 7
 - Pensions 7
 - Dividends & Distributions 7
 - Application of Proportionality 7
 - Severance Payments 9
 - Hedging Strategies or Liability Related Insurance 9
 - Payments Related to the Early Termination of a Contract 9
 - Claw-Backs 9
- 5. DELEGATES 11
- 6. REVIEW AND AMENDMENTS OF THE REMUNERATION POLICY 12
- 7. DISCLOSURE 13
- 8. REMUNERATION COMMITTEE 15

1. INTRODUCTION

Loomis Sayles Netherlands B.V. (“Loomis Netherlands”) adopts the following remuneration policy (“Remuneration Policy”), which shall apply to all persons working under the responsibility of Loomis Netherlands. The board of Loomis Netherlands (the “Board”) is directly responsible for the operating and organisational requirements of Loomis Netherlands as well as ensuring that Loomis Netherlands meets the requirements of the Alternative Investment Fund Managers Directive (“AIFMD”) and the Dutch Financial Supervision Act (*Wet op het financieel toezicht* – “Wft”).

This Remuneration Policy has been prepared in a manner that is consistent with and appropriate to the nature, scope and complexity of Loomis Netherlands’ activities and its size and internal structure. In addition to the Dutch remuneration rules following from Chapter 1.7 of the Wft and the requirements of the AIFMD, this Remuneration Policy also takes into consideration ESMA’s Guidelines on Sound Remuneration Policies under the AIFMD issued on 11 February 2013 (the “ESMA Guidelines”), as amended, and as may be further amended, supplemented or consolidated from time to time.

Separate to the ESMA Guidelines, this Remuneration Policy also takes into consideration the Sustainable Finance Disclosure Regulation on sustainability-related disclosures in the financial services sector (“SFDR”), and the remuneration practices of Loomis Netherlands are therefore consistent with its integration of sustainability risks in its investment decision making process (“Sustainable Remuneration Requirements”).

2. PURPOSE

The purpose of this Remuneration Policy is to: (i) ensure that remuneration of Identified Staff is in line with the business strategy, objectives, values and interests of Loomis Netherlands and the alternative investment funds (“AIFs”) it manages as well as investors of such AIFs; (ii) not encourage risk-taking that is inconsistent with the risk profile of the AIFs for which Loomis Netherlands provides services; (iii) to ensure consistency with and promotion of sound and effective risk management; and (iv) manage conflicts of interest. The interpretation and implementation of this Remuneration Policy, in accordance with the Wft, the AIFMD and the ESMA Guidelines, recognizes the concept of proportionate application, taking into account the size of the assets under management for the AIFs managed and Loomis Netherlands, Loomis Netherlands’ internal organization and the scope and complexity of the activities relating to the management of accounts, including any AIF.

3. PERSONS COVERED BY THIS POLICY

This Remuneration Policy applies to all persons working under the responsibility of Loomis Netherlands and specifically to senior management, risk takers, “control functions” and any employee receiving total remuneration that falls into the remuneration bracket of senior management and risk takers, whose professional activities have a material impact on the risk profile of an AIF (the “Identified Staff”). The term “control functions” would also include any staff (and other senior management) of Loomis Netherlands responsible for risk management, compliance, internal audit and similar functions within Loomis Netherlands (if applicable). In accordance with the requirements of the AIFMD and the ESMA Guidelines, the following persons are considered to be the Identified Staff of Loomis Netherlands for the purposes of this Remuneration Policy: (i) any member of the Board; (ii) Compliance Specialist; (iii) Risk Specialist; and (iv) the Money Laundering Reporting Officer.

The Compliance Specialist is tasked by the Board to keep a list of the individuals who are considered to be Identified Staff and will update this list when necessary. A current list of Identified Staff is listed on Schedule 1 hereto, which shall be amended from time to time.

The Sustainable Remuneration Requirements also apply to all categories of staff of the Investment Manager whose professional activities have a material impact on the risk profile of the AIFs managed by Loomis Netherlands. In making investment decisions, certain Identified Staff members of Loomis Netherlands, which are in a role of portfolio manager (as listed on Schedule 1 hereto), consider environmental, social or governance events or conditions that, if one such event or condition occurred, could cause an actual or a potential material negative impact on the value of an investment in accordance with Loomis Netherlands’ Disclosure of Sustainability Risks Policies.

4. FIXED AND VARIABLE REMUNERATION

The compensation policy implemented by Loomis Netherlands relies on general principles that cannot be ignored, enabling it to be permanently compliant with those required by virtue of applicable regulation, and especially the principle of aligning the interests of employees with those of investors.

These general principles are as follows:

- Support the attraction, motivation and retention of employees at Loomis Netherlands while being compliant with applicable legislation;
- Take into account Loomis Netherlands' business strategy, objectives, its role in society, values and risk appetite as well as long term value creation for all stakeholders;
- Be consistent with and to promote sound and effective risk management;
- Consideration of sustainability risks into decision taking is integrated in the performance criteria applied by Loomis Netherlands;
- Ensuring alignment of the risks by its staff with those of the AIFs it manages, the investors of the AIFs and Loomis Netherlands itself, and not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the AIFs it manages;
- Avoid improper treatment of clients and employees;
- Be in line with applicable measures to avoid conflicts of interest;
- Specifically (in view of control functions) not compromise the independence of control functions or create conflicts of interest of their duties; and
- Ensure that no variable remuneration is paid through vehicles and methods that are employed with the aim to artificially evade the applicable remuneration rules.

The compensation policy encompasses all compensation components, which include fixed compensation and, where applicable, variable compensation.

Fixed Remuneration

The fixed remuneration of Identified Staff is set at a fixed amount. The fixed compensation rewards the skills, professional experience, and level of responsibility of Identified Staff. Any fixed remuneration amount is set at a level that is on par relative to competitor firms in the funds industry

and reflects the qualifications and contributions required for that role by the Board in view of Loomis Netherlands' overall nature, scale and complexity. The fixed remuneration for Identified Staff is 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 variable remuneration component.

Variable Remuneration

The variable compensation of Identified Staff depends on the collective performance, measured both at Loomis Netherlands level and managed AIF level (when relevant), and on individual performance depending on the role or function of the Identified Staff. The performance of employees is assessed at least once a year. The performance assessment of all employees includes both qualitative and quantitative elements where appropriate depending on the role or function of the employees.

The variable pay structure for rewarding high performers is fully discretionary and is determined by individual performance as well as the performance of Loomis Netherlands as a whole and is in line with the requirements following from Chapter 1.7 of the Wft. Any variable remuneration (including any maximum percentage of fixed compensation) paid to Identified Staff shall comply with the Wft, the AIFMD and the ESMA Guidelines and shall be consistent with industry practice for an alternative investment fund manager ("AIFM") of similar size and scale.

Loomis Netherlands shall also comply with the requirements on variable remuneration in instruments and deferral (Article 1(m) and (n) of Annex II of the AIFMD). Loomis Netherlands shall carefully assess whether proportionality will allow Loomis Netherlands to not to apply these individual requirements taking into account the ESMA Guidelines and the specific facts.

The contribution and performance level of each employee are assessed considering his/her role or functions as listed on Schedule 1 hereto and level of responsibility in Loomis Netherlands. Variable remuneration for individual employees is established as follows:

Senior Executives: The performance of Identified Staff in a senior executive role (or "team lead") for Loomis Netherlands is assessed in light of the implementation of the corporate strategy and on the basis of both quantitative criteria (such as the evolution of Loomis Netherlands' financial

indicators) and qualitative criteria (such as the team's cohesion and the development of an exemplary corporate culture). The performance of senior executives is also measured by the capacity to develop high-performing portfolio management services on behalf of third parties, consistent with clients' expectations.

Control Functions: The evaluation of Identified Staff in control and risk functions is set independently from the performance of the business areas/operations they control. Any evaluation of such Identified Staff shall consider qualitative criteria, such as team or project management, reporting quality, or the contribution to strategic and/or regulatory projects, defined annually, so as not to compromise their independence or create a conflict of interest with the activities they control or in their advisory role to the supervisory function and/or management body.

Commercial Relationship Roles: The performance of Identified Staff in commercial relationship roles is assessed based on their capacity to serve the investor needs in terms of information, operational efficiency, and adaptation of the vehicles and corporate activities, based on qualitative criteria such as the promotion of Loomis Netherlands' expertise, or team management.

Portfolio Management: The performance of Identified Staff in a portfolio management function is assessed so as to align the client's interests with those of Loomis Netherlands, based on quantitative criteria when possible, but also on qualitative criteria (such as client satisfaction assessment, the contribution to the proper functioning of Loomis Netherlands, the development of new expertise, the development of operational efficiency and any performance benchmarks set by the Board). The quantitative criteria reflect the objectives of management performance development sought for by investors, without however allowing excessive risk-taking that could affect the risk profile of the Company and/or of the managed AIFs. These quantitative criteria are calculated, when relevant, over a predefined period in line with the adjusted performance horizon for the risks of the managed AIFs. Lastly, specific criteria including risks in terms of sustainability, *i.e.*, social, environmental, and governance objectives, is defined for all employees in investment management teams. Compensation of Identified Staff that function on the portfolio management team shall be driven primarily by the delivery of consistent and superior long-term performance for clients, and risk taking should be commensurate with the risk profile of the relevant account. By referring to long-term, rather than short-term, performance, the incentives with respect to risk taking are aligned with the risk profile for the account (including any AIF). The assessment of performance is set in a multi-year framework

appropriate to the life-cycle of the strategies managed in order to ensure that the assessment process is based on longer term performance. In this way, Identified Staff that function as portfolio managers are discouraged to try to aggressively seek short term performance in any particular year or from taking undue risk to generate performance returns.

Review & Board Reporting

Kevin Charleston, as a Board member and CEO of Loomis Sayles & Co (“Loomis US”), shall review the overall performance of each Identified Staff annually. With respect to any Identified Staff listed in Schedule 1 with a portfolio management function, Mr. Charleston shall also meet with the CIO of Loomis US who shall provide input with respect to the investment performance of the Identified Staff. Mr. Charleston shall report out to the Board as to compliance of any compensation package with this policy and with the Wft, the AIFMD and the ESMA Guidelines.

Pensions

Loomis Netherland's pension schemes are aligned with Loomis Netherland’s long-term interests. Loomis Netherlands does not award discretionary pension benefits.

Dividends & Distributions

Loomis Netherlands shall not use dividends or similar distributions as a way of circumvention of the remuneration rules. Loomis Netherlands is aware that dividends or similar payments that shareholders may receive as owners of an AIFM are not covered by the remuneration rules, unless the material outcome of such payments would not relate to mere ownership rights of such shareholders.

Application of Proportionality

An AIFM’s remuneration policy must be appropriate and proportionate to the nature, scale and complexity of the risks that exist in the business model and activities of the AIFM as well as the internal organization and size of the AIFM. ESMA has set out guidance on the application of

proportionately to the payout process rules (*i.e.*, the requirements on variable remuneration in instruments, retention, deferral and ex-post incorporation of risks for variable remuneration) and recognizes the possibility of tailoring these rules when these do not achieve the intended goal of aligning the interests of the fund manager's staff with AIF investors. Loomis Netherlands has performed an assessment for each of the variable remuneration requirements and their application to remuneration of Identified Staff as follows:

Variable remuneration in instruments: At present and in the first stage of operating as a licensed AIFM, the management of AIFs shall account for less than 50% of the total AUM managed by Loomis Netherlands, which on the basis of Annex II of the ESMA Guidance is reason to allow for disapplication of the requirement to pay out at least 50% of any variable pay consisting in units of the AIF. With respect to payments via instruments, for members of Identified Staff that are U.S. residents an investment in the AIFs managed is either not permitted or would have negative tax consequences.

Retention: With respect to variable remuneration paid out in instruments, no retention restrictions are included.

Deferral: Deferral may be disappplied in case the life cycle of the AIF is shorter than three years or based on low AUM for an AIF. The value of AUM provides a useful working presumption (to be confirmed or disconfirmed by considering other factors including the complexity of an AIF and the number of AIFs managed) as to whether proportionality should be applied. Irrespective of AUM, Loomis Netherlands will review other criteria to determine whether application of deferral is applied. In evaluating the AUM of an AIF, Loomis Netherlands shall take into account the portfolios of the AIFs managed and the AIF's redemption rights, including whether the AIF has no or limited redemption rights and whether the AIF portfolio is leveraged or unleveraged. In case of a particularly high amount of variable remuneration, at least 60% should be deferred. Variable amounts over EUR 100,000 annually are generally deferred over 2 years (until employees are 61 years of age) and are only payable if the employee remains an employee over the payment date.

Severance Payments

Loomis Netherlands will not make a severance payment in the event that: (i) it rewards for failure or misconduct; (ii) the employee decides to leave Loomis Netherlands at his own initiative, unless the termination is the consequence of serious imputable acts or omissions by Loomis Netherlands; or (iii) there were serious imputable acts or omissions by the employee (in fulfilling his duties); or (iv) Loomis Netherlands has failed and the employee was a day-to-day policy-maker (dagelijks beleidsbepaler) of the entity concerned. Loomis Netherlands may install policies regarding severance payments. In any case, Loomis Netherlands will not award or pay severance payments that exceed 100% of fixed remuneration excluding benefits and buy outs to an employee who qualifies as a day-to-day policy-maker within the meaning of the Wft.

Hedging Strategies or Liability Related Insurance

All Identified Staff are prohibited from hedging the risk of a downward adjustment in remuneration and may not buy an insurance contract which compensates them in the event of a downward adjustment of remuneration.

Payments Related to the Early Termination of a Contract

There is no policy currently in effect relating to remuneration in the event of the early termination of a contract.

Claw-Backs

In accordance with article 1:126 and 1:127 Wft, Loomis Netherlands has the right to claw back from any current or former employee up to a maximum of 100% of any paid or vested variable remuneration in case: (i) this is required or reasonable taking into account the outcome of the risk assessment; or (ii) of engagement in conduct or performance of acts which are considered malfeasance or fraud; or (iii) of specific conduct which has led to the material re-statement of Loomis Netherlands' annual accounts and/or significant (reputational) harm to Loomis Netherlands or any of its

subsidiaries or affiliates; or (iv) the relevant employee participated in or was responsible for conduct which resulted in significant losses to Loomis Netherlands or affiliates; or (v) the relevant employee failed to meet appropriate standards of fitness and propriety, such as an oath for the financial sector, a code of conduct or other internal rules and regulations that are applicable to Loomis Netherlands; or (vi) a significant deterioration in the financial performance of Loomis Netherlands and/or AIFs or a significant downturn in Loomis Netherlands' overall financial situation has occurred.

5. DELEGATES

The ESMA Guidelines provides for a look-through of the remuneration principles of the AIFMD and the ESMA Guidelines to delegates where the rules would otherwise be circumvented. In this regard, Loomis Netherlands has an obligation to ensure that the Delegates are either: (i) subject to regulatory requirements on remuneration that are “equally as effective” as those applicable under the ESMA Guidelines; or (ii) that appropriate contractual arrangements are in place to ensure that the delegation arrangements do not circumvent the remuneration requirements contained in the AIFMD Regulations.

Equally as Effective

As stated above, Delegates that are subject to equally as effective regulatory requirements on remuneration are not required to comply separately with the AIFMD Regulations. Loomis Netherlands, in line with the ESMA Guidelines, considers that entities subject to the remuneration requirements of the Markets in Financial Instruments Directive (2014/65/EU) and Markets in Financial Instruments Regulation ((EU) No 600/2014) are considered equally as effective, pursuant to prior guidance issued by the AFM.

Proportionality

The ESMA Guidelines neither expressly permit nor prohibit the use of proportionality in the context of remuneration requirements of Delegates. In this regard, Loomis Netherlands acknowledges that certain or all of the requirements of the AIFMD and/or the ESMA Guidelines may be disapplied by Loomis Netherlands’ Delegates based on the principles of proportionality. The approach of Loomis Netherlands in relation to Delegates will be reviewed as necessary following any further regulatory or industry guidance or legal clarifications that conflict with the above position.

6. REVIEW AND AMENDMENTS OF THE REMUNERATION POLICY

The Compliance Specialist with assistance of external legal counsel reviews this Remuneration Policy at least annually in light of regulatory requirements and new developments. The Remuneration Policy is also reviewed by the whole Board at least once per year. In reviewing the Remuneration Policy, the Board will consider whether the overall remuneration system: (i) operates as intended (in particular, that all agreed plans/programmes are being covered), (ii) that the remuneration pay-outs are appropriate relative to the complexities of the operation of Loomis Netherlands and that the risk profile, long-term objectives and goals of Loomis Netherlands are adequately reflected; and (iii) is compliant with national and international regulations, principles and standards. Any proposed amendment to the Remuneration Policy requires approval by the Board, taken by a simple majority of those directors present or represented at the relevant meeting.

7. DISCLOSURE

Loomis Netherlands discloses, without prejudice to confidentiality and data protection provisions, relevant information on the Remuneration Policy in its Annual Report, including the disclosures required by the Sustainable Finance Disclosure Regulations (EU) 2019/2088.

The manner in which this Remuneration Policy is consistent with the integration of ESG Risks shall be published on the Loomis Netherlands' website using the following language:

“The Manager’s staff, including those staff who are Identified Staff under the Manager’s Remuneration Policy are required to comply with the Manager’s Sustainability Risk Policy to the extent the same is relevant for the performance of their function. However, compliance with this policy is not currently specifically taken into account as part of the remuneration review process.”

Pursuant to Article 1:120 Wft and Article 22(2)(e)-(f) of the AIFMD, Loomis Netherlands will prepare accounts for each AIF it manages which contains:

- the total amount of remuneration for the financial year, split into fixed and variable remuneration (if applicable), paid by Loomis Netherlands to its staff, and number of beneficiaries, and where relevant any carried interest paid by the AIF;
- the aggregate amount of the remuneration broken down by senior management and members of staff of Loomis Netherlands whose actions have a material impact on the risk profile of the AIF.

In accordance with Article 107 of Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 (the “Delegated Regulation”) the information disclosed will be specified as follows:

- the total remuneration of the entire staff of Loomis Netherlands, indicating the number of beneficiaries;
- the total remuneration of those staff of Loomis Netherlands who are fully or partly involved in the activities of the AIF, indicating the number of beneficiaries;
- the proportion of the total remuneration of the staff of Loomis Netherlands attributable to the AIF, indicating the number of beneficiaries.

- Loomis Netherlands applies proportionality in view of Article 107(4) Delegated Regulation when disclosing the following information on:
 - a) the decision making process used for determining this Remuneration Policy;
 - b) linkage between pay and performance;
 - c) the criteria used for performance measurement and risk adjustment;
 - d) the performance criteria on which the entitlement to variable pay is based; and
 - e) the main rationale for any benefits.

At all times, this Remuneration Policy will be made available to all staff.

8. REMUNERATION COMMITTEE

Loomis Netherlands currently has a limited number of employees and Identified Staff (as listed on Schedule 1 hereto) and manages only long-only investment strategies. Loomis Netherlands is not significant in terms of its size and the nature, the scope and the complexity of its activities. Loomis Netherlands' internal organisation is straightforward as the owner of Loomis Netherlands is Loomis US with no external shareholders that could drive a conflict of interest. Based on these factors and Loomis Netherlands' current assets under management (“**AUM**”) (including in AIFs), Loomis Netherlands does not, at this time, have a remuneration committee. Kevin Charleston, as a member of the Board and CEO of Loomis US, shall present to the Board annually on the actual remuneration of each Identified Staff and the compliance with this Policy. The Board also shall evaluate at least annually as to whether Loomis Netherlands shall be considered significant and/or whether a remuneration committee shall be established.

* * *

SCHEDULE I – IDENTIFIED STAFF

The following are considered Identified Staff for purposes of this Policy:

Name	Function / Role
Deborah Van Der Sanden	Compliance Manager
Ronald Schep	Portfolio Manager
Luuk Cummins	Portfolio Manager
Marco Zanotto	Portfolio Manager
Quijijn Landman	Portfolio Manager
Sipke Moes	Portfolio Manager
Jeroen Potma	Board Director/Executive (Investment Director)
Pim Van Mourik Broekman	Board Director/Portfolio Manager
Mark Loughman	Director

The following directors are considered identified staff, but are not paid for their directorship of Loomis Netherlands and therefore do not receive variable compensation for their role in the Netherlands:

- Michael Giles
- Kevin Charleston
- Chris Yiannakou