

**Brown Brothers Harriman (Luxembourg) S.C.A. ("BBH Luxembourg")**  
**Remuneration Disclosure for the year ended 31 December 2023**

BBH Luxembourg is an indirectly wholly-owned subsidiary of the US-based Brown Brothers Harriman & Co. ("BBH & Co."), a bank regulated by the New York State Department of Financial Services. BBH & Co. is a private partnership and its partnership structure is a significant motivator to its risk management culture and infrastructure (and those of its subsidiaries, collectively, the "Firm"), as general partners are jointly and severally liable for all business activities. The Firm's organizational, management and compensation structure is designed to recognize that the Firm is a partnership while at the same time meeting current best practice governance standards for financial institutions.

The fundamental activities conducted by BBH Luxembourg consist of the provision of Global Custody, Depositary Services, Fund Accounting, Fund Administration and Transfer Agency Services to Luxembourg and other European-based clients. BBH Luxembourg does not engage in proprietary trading, underwriting, commercial or retail lending activities. As provided for in the law on the financial sector dated 5 April 1993, implementing Directive 2013/36/EU, as amended notably by Directive (EU) 2019/878, credit institutions are to comply with applicable requirements for remuneration policies "in a way and to the extent that is appropriate to their size, the structure, the internal organization and the nature, scope and complexity of activities".

In accordance with the principle of proportionality, BBH Luxembourg is not required to set up a Remuneration Committee. While a Remuneration Committee is not required, BBH Luxembourg's Supervisory Board is assisted by the Control Functions' central and independent internal review of the implementation of the Remuneration Policy, including Internal Audit's independent review of compliance with the regulation, group policies, and procedures.

Various BBH Luxembourg groups are involved in the design, implementation, operation and supervision of the remuneration practices of BBH Luxembourg.

- The Human Resources function participates in and informs on the development and the evaluation of the Remuneration Policy for BBH Luxembourg, including the remuneration structure, remuneration levels and incentive schemes to attract and retain employees and ensure that the Remuneration Policy is aligned with BBH Luxembourg's risk profile.
- The Risk Management function assists in and informs on the definition of suitable risk-adjusted performance measures (including ex post adjustments), as well as in assessing how the variable remuneration structure affects the risk profile and culture of BBH Luxembourg while ensuring alignment with BBH Luxembourg's risk profile and risk appetite.
- The Compliance and Legal functions analyses how the Remuneration Policy affects BBH Luxembourg's compliance with legislation, regulations and BBH's Risk Appetite Statement and report all identified compliance and legal risks and issues of non-compliance to BBH Luxembourg's Supervisory Board, BBH Luxembourg's Board of Managers and the Authorised Management.
- The Internal Audit function performs an independent review of the design, implementation and compliance with the Remuneration Policy.

Independently, BBH Luxembourg's Supervisory Board adopts and approves the general Remuneration Policy and is responsible for the oversight of its implementation. BBH Luxembourg's Board of Managers as well as the Authorised Management agree to acknowledge the Policy adopted by the Supervisory Board. In furtherance of the principle of proportionality, the Policy will not further provide for requirements in regards to the pay-out process of variable remuneration of the Identified Staff in relation to variable remuneration in non-cash instruments, retention and deferral or as regards ex post incorporation of risk for variable remuneration.

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SOCIÉTÉ EN COMMANDITE PAR ACTIONS

The following disclosures related to BBH Luxembourg's remuneration policies and procedures are made in accordance with EU Directive 2013/36/EU as amended notably by EU Directive 2019/878 (CRDV), Luxembourg Law of 5 April 1993, the Commission Delegated Regulation (EU) No 2021/923 of 25 March 2021, CSSF Circulars 10/437, 15/622, 21/773 and 22/797 as well as EBA Guidelines 2021/04 on sound remuneration policies (hereinafter "the EBA Guidelines"). As detailed in the regulatory guidance, BBH Luxembourg must disclose the following:

***Risk Management Objectives and Considerations:***

BBH Luxembourg follows a thorough hiring process, and employees are not permitted to join BBH Luxembourg without first completing a comprehensive background check. Background investigations are a vital part of the employment process, and our procedures meet and/or exceed the minimum requirements of applicable regulations. Candidates undergo a detailed background check process that includes verification of employment and educational background. In Luxembourg, the background investigation is comprised of identification verification, employment history for the previous 5 years, and education background checks. It should be noted that credit/bankruptcy checks, and criminal checks are conducted for employment candidates who are identified as "Risk Holder" positions (those who will be CSSF registered or for senior level management positions). Credit/bankruptcy checks are not performed for "standard" level candidates (all others). In addition, each position has specific requirements in terms of education and experience, and a candidate's credentials are reviewed and vetted prior to extending an offer. Once these checks are reviewed and cleared, the employee is allowed to commence work.

BBH Luxembourg is committed to attracting, developing, rewarding, and retaining our employees to ensure that our firm has a strong, diverse workforce capable of addressing all current and future business needs. We offer employees opportunities for incentive compensation and growth combined with an excellent work atmosphere and market competitive benefits. In an effort to encourage continuity with our staff, all employees are eligible to receive an annual bonus that is tied to overall performance of the individual as well as performance of the firm. Our dedication to employee development is a key element in maintaining a challenging, supportive and creative work environment for our people. Strategic retention efforts include a robust performance management process, innovative leadership training, targeted development for key talent and competitive reward programs. Initial and ongoing training is provided to BBH Luxembourg employees to further develop their skills; learning and development opportunities are provided to employees at every level of the organization.

BBH Luxembourg is committed to diversity, equity, inclusion, and environmental sustainability. Our goal is to build the effectiveness of our talent, enhancing our inclusive culture, strengthening cultural dexterity, and leveraging the creative power of fresh thinking. Diversity can no longer be defined by just gender or ethnicity. True diversity encompasses the whole human experience – culture, education, personality, skills, life experiences, social class, race, gender, abilities, sexual orientation, and many other attributes. Our many dimensions enrich perspectives and outcomes and equip us to meet the challenges of our complex and competitive global marketplace. Our commitment to diversity, equity, and inclusion focuses on three pillars – workforce, workplace and marketplace. BBH Luxembourg strives to continually increase diverse representation across all levels of management and our employee population. While BBH Luxembourg does not set out formal diversity targets, we believe that our workplace, business and clients are greatly enriched by diversity in our workforce. Different perspectives and backgrounds lead to better risk management, innovation, employee experience, and client outcomes. BBH Luxembourg, is committed to the principles of diversity and equal employment opportunity for all employees and applicants at all levels. BBH Luxembourg maintains that gender is not a factor that would orient its decisions. The commitment to gender neutrality is reflected in the Policy.

We seek to recruit talent from the broadest applicant pool possible. Through video-based interviews, external partnerships with under-represented employee groups and colleges, gender-inclusive and capability-based job descriptions, and programs that help professionals re-enter the workplace after time away, we have increased our reach in the marketplace.

BBH Luxembourg intends to rely on a proportional application of the applicable regulatory requirements at the level of the institution. This reliance is based on the internal assessment preceding the elaboration and adoption of the Policy, given the size of BBH Luxembourg (balance sheet, total assets, number of employees), its internal organization, the

nature, scope and complexity of its activity, the organization of BBH & Co. and of the Firm.

***Information concerning the decision-making process used for determining the Remuneration Policy and information about the composition and the mandate of a remuneration committee***

BBH Luxembourg's remuneration policies seek to reward long-term value creation while discouraging excessive risk taking. The Firm's remuneration policies are determined and set by a central committee of the Partnership i.e. the "Finance Committee" at the BBH & Co. level, and are reviewed and ratified by the Supervisory Board of BBH Luxembourg. The Supervisory Board has full discretion to reduce the amount of any award (or to delay or cap an award) in the event that the Supervisory Board determines that an inappropriate risk incentive may be created or encouraged by awarding the full amount of the award in any given year. As noted, the Policy is reviewed and approved annually by the Supervisory Board. BBH Luxembourg's Board of Managers and the Authorised Management acknowledge the Remuneration Policy and principles as well as the list of Identified Staff whose professional activities have a material impact under the Commission Delegated Regulation (EU) No 2021/923 of 25 March 2021.

Each Control Function has a direct reporting line to the Group Head of the relevant function and is independent from the business; they also have dotted line reporting to a member of the Authorised Management. Performance assessments and resulting remuneration recommendations for Control Functions are the responsibility of the relevant Group Head, who is independent from the business, with final compensation recommended by the Group Head and Authorised Management in accordance with BBH Luxembourg guidelines and at the discretion of the Supervisory Board.

***External consultant services used for the determination of the Remuneration Policy***

Arendt and Medernach, a law firm, have been engaged to provide consulting for development of BBH Luxembourg's Remuneration Policy, as well as an assessment of compliance with regulatory and best practice guidelines where applicable. In addition, BBH Luxembourg engages Mercer, McLagan and KPMG, to provide HR-related consulting services.

***The role of the relevant stakeholders***

BBH & Co. is a private partnership. Stakeholders consist of the Partnership with no equity or debt held by outside parties. As noted, the Partnership is a significant motivator to the Firm's risk management culture as general Partners are jointly and severally liable for all business activities. Partners sit on the relevant committees such as the Supervisory Board of BBH Luxembourg and comprise the Finance Committee of BBH & Co. As such, they are responsible for the development, implementation and monitoring of Firm-wide remuneration principles.

***Information on the link between pay and performance***

Remuneration practices at BBH Luxembourg are aligned with the Firm's risk appetite and long-term goals and objectives. Remuneration is directly tied to the Firm's earnings and performance as well as an individual's performance and conduct. This approach ensures that both quantitative and qualitative criteria including financial and non-financial criteria are applied in accordance with EBA Guidelines. The individual performance rating measured in the Employee Development and Performance ("EDP") system is based upon each manager's assessment of the performance of the particular employee against business goals set between the employee and manager, goals set by the Firm and assigned by Firm leadership and core competencies including goals related to adherence to the Firm's Compliance policies. The overall assessment of the employee is made up of individual performance against stated goals. Employees' performance aligned with the Firm's three Core Values (i.e. Teamwork, Integrity and Excellence) is also recognized by the manager, though these components are not calculated into the overall performance assessment rating.

The EDP methodology incorporates both qualitative and quantitative metrics related to performance measurement that are applicable to all employees including Key Function Holders. Business and Compliance related goals and objectives account for an employee's overall assessment and consist of business goals embedding compliance / ethical commitment / obligation, including environmental, social, and governance (ESG10) risk-related objectives. Completion of the EDP

process is required for all employees and reviewed and managed by the local Human Resources group.

In addition, annual earnings targets are established at the beginning of the year on a Firm-wide basis. These ratings and targets are utilized to determine the increase/decrease in an individual's potential Performance Bonus award. Both the budgets and the final awards are fully discretionary and are reviewed in the context of BBH & Co.'s capital base to ensure that bonus awards do not limit the Firm's ability to strengthen its capital base as warranted. Payment of allocated portions of the bonus pool to BBH Luxembourg employees, in compliance with Firm-wide guidelines, is subject to the approval of BBH Luxembourg management and the Supervisory Board of BBH Luxembourg. Compensation packages, including bonus pool and individual bonus guidelines at BBH & Co. and BBH Luxembourg are directly based upon annual Firm-wide performance as measured relative to prior years.

### ***Main parameters***

Remuneration for BBH Luxembourg employees consists of a base salary and a variable remuneration component which is payable to individual employees as a cash bonus. BBH Luxembourg does not engage in proprietary trading, underwriting, commercial or retail lending activities. No equity-based remuneration, and/or deferral plans have been implemented. The major components of the Remuneration Policy, i.e., the base salary and the incentive bonus program, are based on local market salary information and the overall performance of BBH & Co. and its subsidiaries including BBH Luxembourg respectively,. Additional employee benefits provided in the normal course of business, are not considered awards and are not deemed part of an employee's variable remuneration (i.e., pension plan, health insurance, lunch vouchers, company car and parking).

### ***Ratio between fixed and variable remuneration***

The variable component of remuneration for categories of staff whose professional activities have a material impact on the risk profile of the institution (including environmental, social and governance (ESG10) risk-related objectives) is capped at 100% of the fixed remuneration or, as approved by the Supervisory Board of BBH Luxembourg and the Company's Shareholder who is entitled to vote on such matters at a maximum of 200% in accordance with the procedure imposed by article 38-6 (g) of the Law of 5 April 1993 on the financial sector as amended.

### ***Aggregate quantitative information on remuneration by business area***

BBH Luxembourg provides Investor Services, including Custody and Depositary services, Fund Accounting services, Fund Administration services, and Transfer Agency services to its clients. It focuses primarily on providing these services to investment funds domiciled in various jurisdictions, for both traditional investment funds as well as alternative investment funds. In addition, BBH Luxembourg has an Administration group that includes Compliance, Legal, HR, Controllers, Risk Management and other administrative groups that support the business.

The following table represents aggregate remuneration data for BBH Luxembourg by business area for year end 31 December 2023. It is noted that remuneration paid out by BBH Luxembourg does not constrain BBH Luxembourg's capacity to meet its liquidity needs nor negatively affect the amount or quality of BBH Luxembourg's total capital.

| <u>Business Area</u> | <u>Number of Employees</u> | <u>Aggregate Remuneration</u> | <u>Variable Remuneration</u> |
|----------------------|----------------------------|-------------------------------|------------------------------|
| Administration       | 41                         | 5,176,527 €                   | 1,436,580 €                  |
| Investor Services    | 332                        | 34,018,495 €                  | 6,946,371 €                  |

### ***Aggregate quantitative information on remuneration by senior management and members of staff whose actions have a material impact on the risk profile of the Firm***

The total salaries of Identified Staff for the year ending 31 December 2023 is 3,287,423 € and the total bonus awarded is 2,230,460 €.

In 2023, one Key Function Holder received a sign-on bonus. No other Key Function Holders received a sign-on bonus or a severance payment.

No individuals are in pay brackets of at least EUR 1 million.

BBH Luxembourg will provide upon demand from the Member State or competent authority, the total remuneration for each member of the management body or senior management.