PIMCO GLOBAL ADVISORS (IRELAND) LIMITED (THE "MANAGER")

Third Floor, Harcourt Building
Harcourt Street
Dublin, D02 F721
Ireland

REMUNERATION POLICY

Policy Statement

PGAIL's remuneration policy is designed to ensure that compensation plans are consistent with and promote sound and effective risk management; do not encourage excessive risk taking; include measures to avoid conflicts of interest; and are in line with the firm's business strategy, objectives, values and long-term interests.

Overview

In accordance with its obligations under Directive 2009/65/EC, as amended (the "**UCITS Directive**") as implemented in Ireland by the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011), as may be amended, consolidated or substituted from time to time (the "**UCITS Regulations**"), and its obligations under Directive 2011/61/EU on Alternative Investment Fund Managers (the "AIFM Directive), as implemented in Ireland by the European Communities (Alternative Investment Fund Managers) Regulations 2013 as may be amended, consolidated or substituted from time to time and EU Commission Delegated Regulation (EU) No. 231/2013 (the "**AIFM Regulations**") the Manager is required to have remuneration policies and practices for those categories of staff ("**Identified Staff**"), including senior management, risk takers, staff responsible for control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or the funds under its management (each a "**Fund**", collectively the "**Funds**"). The remuneration policies must be consistent with and promote sound and effective risk management (and the principles as outlined in Schedule 1 hereto) and not encourage risk-taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Manager or the Funds.

This remuneration policy also includes information on the integration of sustainability risks in the Manager's remuneration procedures, as required by the EU Sustainable Finance Disclosure Regulation (2019/2088)("**SFDR**").

Application of the Policy

The Manager has a board of directors (the "**Board**"). The Directors that are not also employees of the PIMCO group receive a fixed fee only and do not receive performance-based remuneration. The Manager has no employees but there a number of individuals seconded from other PIMCO group entities that perform responsibilities on behalf of the Manager.

The designated person with responsibility for Regulatory Compliance has responsibility for the oversight of compliance with this remuneration policy. He/she will review the appropriateness of this remuneration policy annually and will ensure that it is operating as intended. He/she will also review this remuneration policy to ensure that it continues to be compliant with applicable national and international regulations, principles and standards. This remuneration policy shall be reviewed and updated as necessary on at least an annual basis or as and when is required or deemed necessary by the Manager.

Material changes to this remuneration policy will be approved by the Board.

Remuneration Philosophy

The Manager's total compensation philosophy is in line with PIMCO Group policy that total compensation for high performing staff should be highly competitive. The remuneration policy is intended to reward performance, integrity, and teamwork. The policy embraces a corporate culture of pay-for-performance and meritocracy. Regular performance reviews evaluate each staff member's performance and progress against personal objectives, which are informed by Manager-level and departmental-level goals.

Staff total compensation reflects a combination of financial and non-financial factors such as the Manager's and overall PIMCO group profitability, business specific performance, individual staff performance to include relative value of roles across the firm, effective risk management and non-financial factors (e.g. such as individual compliance with policies and procedures and regulatory requirements), and the market environment.

Remuneration Policy Framework

The policy reflects the Manager's objective for good corporate governance and:

- is consistent with and promotes sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile, rules or instruments of incorporation of the Manager or any Funds it manages; and
- is consistent with the Manager's or any Fund's business strategy, objectives, values and interests and includes measures to avoid conflicts of interest.

The policy is consistent with and promotes sound and effective risk management by;

- having a business model which by its nature does not promote excessive risk taking; and
- ensuring that the fixed salary element of those involved in relevant functions reflects the market rate.

In preparing this remuneration policy, the Manager has taken into account the nature, scale and complexity of its business. In determining the range of activities to be undertaken by the Manager, the Manager has given due consideration to the number of Funds it manages, the type of investments made by such Funds, the investment strategies of such Funds, the investment location, the distribution model and the investor base of such Funds. Due consideration has also been given to the resources available to the Manager and the resources and expertise of the various third parties engaged to support the Manager and carry out certain functions on its behalf.

The risk-limiting features of this remuneration policy include (amongst other things) application of non-financial metrics, such as an assessment of compliance by staff with the Manager's Risk Management Policy (including the Manager's Statement in relation to the Integration of Sustainability Risks and such other sustainability policies which may be adopted from time to time (the "**Sustainability Policies**")).

Remuneration Principles

- The Manager’s pay practices are designed to attract and retain high performers.
- The Manager’s pay philosophy embraces a corporate culture of pay-for-performance, a strong work ethic and meritocracy.
- The Manager aims to ensure key professionals are aligned to PIMCO’s long term success through deferred compensation and/or equity (or equity linked) participation.
- The Manager aims to ensure its remuneration practices do not encourage excessive risk taking and support effective risk management within the Manager.

It is primarily the responsibility of the Manager to assess its own characteristics and to develop and implement remuneration policies and practices which appropriately align with the risks faced and provide adequate and effective incentives to its Identified Staff.

When establishing and applying the total remuneration, inclusive of salaries and discretionary pension benefits for Identified Staff, the Manager shall comply with the general principles set out in Schedule 1 in a way and to the extent that is appropriate taking into account its size, internal organisation and the nature, scope and complexity of its activities.

As outlined in Schedule 1 (g), where remuneration is performance-related, the total amount of remuneration is based on a combination of the assessment as to the performance of the individual and of the business unit or fund concerned and as to their risks and of the overall results of the Manager and PIMCO group when assessing individual performance, taking into account financial and non-financial criteria. In considering non-financial criteria, an assessment of whether the relevant staff member has complied with the Sustainability Policies shall be taken into account.

This assessment of compliance with the Sustainability Policies will be carried out by the Manager's designated person with responsibility for Regulatory Compliance. In general terms, a positive or neutral assessment of overall compliance by a staff member with the Sustainability Policies would not in itself be expected to contribute to any additional variable remuneration being awarded to an individual staff member. However, in extreme cases, a negative assessment of overall compliance by an individual staff member with the Sustainability Policies may result in a reduction in the variable remuneration amount which would otherwise have been awarded to that individual. The amount of any such reduction must be personally approved by the Chief Executive Officer of the Manager and is applied at the sole discretion of such person.

Scope of Remuneration

Remuneration consists of all forms of payments or benefits made directly by, or indirectly, but on behalf of the Manager, in exchange for professional services rendered by staff. This shall include where appropriate:

(i) all forms of payments or benefits paid by the Manager;
(ii) any amount paid by the Funds, including any portion of performance fees; and/or
(iii) any transfer of units or shares of any Funds;
in exchange for professional services rendered by the Identified Staff.

For the purpose of item (ii) above, whenever payments, excluding reimbursements of costs and expenses, are made directly by the Funds to the Manager for the benefit of the relevant categories of Identified Staff, for professional services rendered, which may otherwise result in a circumvention of the relevant remuneration rules, they shall be considered remuneration for the purpose of this policy.

Fixed remuneration means payments or benefits without consideration of any performance criteria.
Variable remuneration means additional payments or benefits depending on performance or, in certain cases, other contractual criteria.

Performance/Compensation Year

The performance of each staff member is assessed based on his or her performance during a performance year from 1 October through to 30 September. Following the end of each performance year and prior to calendar year end, the Manager reviews the compensation of each staff member. The Manager will determine any variable or other awards to be made to the staff member based on the performance year just ended and any adjustments to their base or other compensation or benefits to take effect in respect of the next calendar year.

Bonus compensation payments are made at the end of December each year. To be eligible to receive bonus compensation, the staff member must be employed by the Manager or a PIMCO group entity, as applicable, on the payment date.

Identified Staff

The provisions of this remuneration policy apply only to Identified Staff. Pursuant to the term as defined in ESMA's Guidelines on sound remuneration policies under the UCITS Directive, applicable from 1 January 2017 (ESMA/2016/575) and ESMA's Guidelines on sound remuneration policies under the AIFMD, applicable from 22 July 2013 (ESMA/2013/232) (the "**Guidelines**"), Identified Staff are staff members who have a material impact on the Manager's risk profile, as follows:

categories of staff, including 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 management company's risk profile or the risk profiles of the UCITS/AIFs that it manages and categories of staff of the entity(ies) to which investment management activities have been delegated by the management company, whose professional activities have a material impact on the risk profiles of the UCITS/AIFs that the management company manages

For the above purposes, "**Control Functions**" means:

staff (other than senior management) responsible for risk management, compliance, internal audit and similar functions within a management company (e.g. the CFO to the extent that he/she is responsible for the preparation of the financial statements).

For the above purposes, "**remuneration bracket**" means:

the range of the total remuneration of each of the staff members in the senior manager and risk taker categories – from the highest paid to the lowest paid in these categories.

The following categories of staff, unless it is demonstrated that they have no material impact on the Manager's risk profile or on a Fund it manages, should be included as the Identified Staff:

- directors;
- senior management;
- staff responsible for Control Functions;
- staff responsible for heading the investment management, administration, marketing, human resources;
- other risk takers – such as staff members who acting individually or as part of a group can exert material influence on the Manager's risk profile or on a Fund it manages;

Additionally, staff whose remuneration takes them into the same bracket as senior managers and risk takers but who do not fall into one of the categories above must be assessed to determine whether they have a material impact on the risk profile of the Manager or of a Fund it manages and should be included as Identified Staff.

A list of the Manager's Identified Staff shall be maintained by the Manager. It should be noted that the inclusions of persons in this list relate specifically to their role within the Manager and their remuneration (if any) received directly by the Manager and shall not affect any other role or remuneration such persons may otherwise receive from entities connected with the Manager, delegates of the Manager or otherwise.

Risk Management Function

The remuneration of those engaged in the performance of the risk management function reflects the achievement of the objectives linked to the risk management function, independently of the performance of the business areas in which they are engaged.

The method of determining the remuneration of a compliance officer and other persons in the compliance function do not affect their objectivity and are not likely to do so as their remuneration is not linked in any way to the performance of the Funds.

Investment Management Delegates

The Manager has the facility to appoint delegates to carry out investment management functions (including risk management) on its behalf.

In accordance with the Guidelines, where the remuneration rules would otherwise be circumvented, the Manager will seek to ensure that affected delegates (i.e. those entities to which investment activities have been delegated) are subject to regulatory requirements on remuneration that are "*equally as effective*" as those applicable under the Guidelines or that appropriate contractual agreements are in place to ensure that the delegation arrangements do not circumvent the remuneration requirements contained in the Guidelines.

Remuneration Committee

It is noted that the requirement for the Manager to establish a remuneration committee pursuant to the UCITS Regulations and AIFM Regulations applies to an entity that is significant in terms of its size or the size of the Funds that it manages, its internal organisation and the nature, scope and complexity of its activities" This criteria is to be assessed in accordance with the Guidelines.

The Manager shall establish such a committee if it determines that it meets this criteria.

The Board may delegate responsibility for the day-to-day implementation of this Policy to one or more individuals within the Manager, including any non-executive Director and/or the Chief Executive provided that such appointment does not result in any material conflict of interest (e.g. the relevant individual having a role in the setting of their own remuneration arrangements or of others into whom they have a reporting line) and is consistent with the terms of this Policy and the requirements of the Guidelines.

Remuneration Disclosure

The UCITS Regulations and the AIFM Regulations provide that the annual report of the relevant Fund shall include the total amount of remuneration for the financial year, split into fixed and variable remuneration paid by the management company to its Identified Staff, and the number of beneficiaries, and where relevant, any amount paid directly by the Fund itself, including any performance fees or carried interest.

The ESMA UCITS and AIFMD Q&As specify that the remuneration based disclosure will also apply to any Identified Staff within a delegate of the Manager to whom portfolio management or risk management activities have been delegated. ESMA has clarified that the disclosure may be provided on an aggregate basis (i.e., by means of a total amount for all the delegates of the Manager in relation to the relevant Fund).

The Manager shall include the remuneration related information in the annual report of the relevant Fund in accordance with the regulatory requirements.

Where required in accordance with applicable regulatory requirements, disclosure of some or all of the contents of this remuneration policy (including specific information on how this policy is consistent with the integration of sustainability risks) shall be made available on the Manager's website.

Role of the Designated Person

The Directors have collective responsibility for this Policy. The Designated Person with responsibility for Regulatory Compliance will assist in ensuring that this Policy is acted upon and complied with, subject to the overall monitoring and oversight by the Board. If any issue arises in connection with this Policy, such issue will be escalated in accordance with the Manager's Escalation Procedures & Exception Reporting, as set out in its Programme of Activity.

26 October, 2022

SCHEDULE 1

REMUNERATION PRINCIPLES

In accordance with Regulation 24B of the UCITS Regulations and Schedule 2 of the AIFM Regulations, the Manager must comply with the following principles in a way and to the extent that is appropriate to the Manager's size, internal organisation and the nature, scope and complexity of its activities:

(a) the remuneration policy is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the funds that the management company manages;

(b) the remuneration policy is in line with the business strategy, objectives, values and interests of the management company and the funds that it manages and of the investors in such funds, and includes measures to avoid conflicts of interest;

(c) the remuneration policy is adopted by the management body of the management company in its supervisory function, and that body adopts, and reviews at least annually, the general principles of the remuneration policy and is responsible for, and oversees, their implementation; the tasks referred to in this point shall be undertaken only by members of the management body who do not perform any executive functions in the management company concerned and who have expertise in risk management and remuneration;

(d) the implementation of the remuneration policy is, at least annually, subject to central and independent internal review for compliance with policies and procedures for remuneration adopted by the management body in its supervisory function;

(e) staff engaged in control functions are compensated in accordance with the achievement of the objectives linked to their functions, independently of the performance of the business areas that they control;

(f) the remuneration of the senior officers in the risk management and compliance functions is overseen directly by the remuneration committee, where such a committee exists;

(g) where remuneration is performance-related, the total amount of remuneration is based on a combination of the assessment as to the performance of the individual and of the business unit or fund concerned and as to their risks and of the overall results of the management company when assessing individual performance, taking into account financial and non- financial criteria;

(h) the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the fund managed by the management company in order to ensure that the assessment process is based on the longer-term performance of the fund and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;

(i) guaranteed variable remuneration is exceptional, occurs only in the context of hiring new staff and is limited to the first year of engagement;

(j) fixed and variable components of total remuneration are appropriately balanced and 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 variable remuneration component;

(k) payments relating to the early termination of a contract reflect performance achieved over time and are designed in a way that does not reward failure;

(l) the measurement of performance used to calculate variable remuneration components or pools of variable remuneration components includes a comprehensive adjustment mechanism to integrate all relevant types of current and future risks;

(m) subject to the legal structure of the fund and its fund rules or instruments of incorporation, a substantial portion, and in any event at least 50 %, of any variable remuneration component consists of units of the fund concerned, equivalent ownership interests, or share-linked instruments or equivalent non-cash instruments with equally effective incentives as any of the instruments referred to in this point (m), unless the management of the fund accounts for less than 50 % of the total portfolio managed by the management company, in which case the minimum of 50 % does not apply.

The instruments referred to in this point shall be subject to an appropriate retention policy designed to align incentives with the interests of the management company and the funds that it manages and the investors of such funds. Member States or their competent authorities may place restrictions on the types and designs of those instruments or ban certain instruments as appropriate. This point shall apply to both the portion of the variable remuneration component deferred in line with point (n) and the portion of the variable remuneration component not deferred;

(n) a substantial portion, and in any event at least 40 %, of the variable remuneration component, is deferred over a period which is appropriate in view of the holding period recommended to the investors of the fund concerned and is correctly aligned with the nature of the risks of the fund in question.

The period referred to in this point shall be at least three years; remuneration payable under deferral arrangements vests no faster than on a pro-rata basis; in the case of a variable remuneration component of a particularly high amount, at least 60 % of the amount shall be deferred;

(o) the variable remuneration, including the deferred portion, is paid or vests only if it is sustainable according to the financial situation of the management company as a whole, and justified according to the performance of the business unit, the fund and the individual concerned.

The total variable remuneration shall generally be considerably contracted where subdued or negative financial performance of the management company or of the fund concerned occurs, taking into account both current compensation and reductions in payouts of amounts previously earned, including through malus or clawback arrangements;

(p) the pension policy is in line with the business strategy, objectives, values and long-term interests of the management company and the funds that it manages. If the employee leaves the management company before retirement, discretionary pension benefits shall be held by the management company for a period of five years in the form of instruments referred to in point (m). In the case of an employee reaching retirement, discretionary pension benefits shall be paid to the employee in the form of instruments referred to in point (m), subject to a five-year retention period;

(q) staff are required to undertake not to use personal hedging strategies or remuneration- and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements;

(r) variable remuneration is not paid through vehicles or methods that facilitate the avoidance of the requirements laid down in the UCITS Regulations.