

**AEW Global Advisors (Europe) Ltd
MIFIDPRU Remuneration Policy**

Remuneration policies and practices

General requirements

This policy sets out the remuneration principles in force within AEW Global Advisors (Europe) Limited ("AEWGAE").

AEWGAE has less than 5 employees and its business consists of acting as a sub-advisor/sub-manager to AEW Capital Management, L.P. ("AEW CM"), its US affiliate. AEW GAE outsources certain services to AEW CM particularly related to human resources and corporate finance.

Under the principle of proportionality, the small scale and nature of AEWGAE's business and its simple, intra-group role is reflected in this Policy.

Additionally, as an SNI firm AEWGAE is not required to follow a number of the rules in SYSC 19G, including not being required to have a remuneration committee and not having to categorise staff as, or apply rules relating to, material risk takers.

Risk management, business strategy and avoiding conflicts of interest

In operating its remuneration policy AEWGAE applies the following general principles:

- Promotion of sound and effective risk management to avoid any risk-taking that is not compatible with AEWGAE's risk appetite, the risk profile, and requirements of its client and the portfolios it manages.
- Alignment with the economic strategy, objectives, values, and interests of AEWGAE, its client and the portfolios it manages.
- Ongoing consideration and monitoring of conflicts of interest.
- Alignment with the UK Equality Act 2010 principle of 'equal pay for equal work of equal value'.

As noted above, AEWGAE's only client is its affiliate. It does not trade as principal, hold client assets or deal with retail clients or investors. Any variable remuneration awards are paid out of actual profits generated within the AEW group and are not based on future, contingent or indicative profits or results.

Governance and oversight

Oversight of remuneration policies and practices

This Policy has been approved and adopted by the AEWGAE board which has ultimate responsibility for its implementation and for ensuring that it promotes effective risk management.

The board monitors the implementation of this Policy and has delegated to AEWCM's human resources the approval of any significant exemptions and modifications.

The board ensures that a review of this Policy is carried out at least annually, taking account of all relevant factors, and reporting to the board.

The board is supported by all competent functions in the group, in particular the human resources, risk management and compliance departments. The general and specific principles of the remuneration policy are defined and formalised by AEWCM's Human Resources and Legal & Compliance Department which play an active role in the development, continuous monitoring and evaluation of the policy. The control functions are therefore involved in determining the overall strategy applicable to AEW with a view to promoting the development of effective risk management. They are also responsible for assessing the impact of the variable remuneration structure on the risk profile of AEWGE and the portfolios it manages.

Control functions

Staff engaged in risk, compliance and internal audit functions have appropriate authority, and are remunerated adequately to attract qualified and experienced employees.

Risk and compliance duties are performed under delegation to AEWCM. The Head of Compliance for AEW Global Advisors (Europe) Limited is contracted to AEW Europe LLP. The Internal Audit function is performed by Natixis Investment Managers.

Control function staff are paid in accordance with the achievement of the objectives linked to their roles, independent of the specific performance of the functional areas they oversee. The assessment of their performance is determined independently of the business lines whose operations they monitor and challenge, and takes into account qualitative criteria such as team or project management, the quality of reporting and the contribution to strategic and/or regulatory matters.

Fixed and variable components of remuneration

Categorising fixed and variable remuneration

Remuneration for AEW staff is composed of base salary (fixed remuneration) and incentive compensation (variable remuneration). All remuneration paid to staff is categorised as either fixed or variable remuneration. For some staff roles AEW may consider it appropriate to pay only fixed remuneration.

Fixed salaries are reviewed annually with the support of the Human Resources department, based on proposals made by managers.

Balance of fixed and variable components of total remuneration

AEWGAE's policy is to maintain an appropriate balance between the fixed and variable remuneration. In particular, the fixed component will represent a sufficiently high proportion of

the overall remuneration so that decisions on variable remuneration have sufficient flexibility, including the ability not to pay it at all. All individual situations for which the variable remuneration corresponds to more than one times the fixed level of remuneration, which can be explained by market practice and/or the level of responsibilities, performance, and exceptional behaviour, are documented by the Human Resources Department as part of the annual remuneration review.

Variable remuneration

Awards of variable remuneration take into account the following criteria:

- Performance of AEWGAE and the wider group including their capital base.
- Where relevant, the performance of the relevant business unit.
- Where relevant, the performance of the funds under management.
- Individual performance.
- Qualitative elements such as the practices of competing companies, market conditions and any factors that may have temporarily influenced the performance of a business line.

Additionally, AEW's senior professionals (Managing Directors and Directors) are eligible for participation in AEW's Equity Sharing program, which give Directors of AEWGAE economic interests in a portion of the firm's profits. This program is sponsored by AEW's parent company, Natixis US. Neither base salary nor any other part of the investment team's compensation structure is transaction based compensation.

MIFIDPRU 8 Disclosure

As a MIFIDPRU SNI firm AEW will make the following remuneration disclosures on an annual basis

Qualitative disclosures

A summary of:

- (1) its approach to remuneration for all staff ;
- (2) the objectives of its financial incentives;
- (3) the decision-making procedures and governance surrounding the development of the remuneration policies and practices the firm is required to adopt in accordance with the MIFIDPRU Remuneration Code (including e.g. applicable details of any external consultants to develop the remuneration policies).(8.6.2)

The summary must provide:

- (1) an understanding of the risk profile of the firm and/or the assets it manages;
and
- (2) an overview of the incentives created by the remuneration policies and practices (8.6.5); and

include as a minimum:

- (1) the different components of remuneration, together with the categorisation of those remuneration components as fixed or variable;
- (2) a summary of the financial and non-financial performance criteria used for the assessment of the performance of the firm, business units and individuals;

...

Quantitative disclosures

In respect of the financial year to which the disclosure relates the total amount of remuneration awarded to all staff, split between fixed remuneration; and variable remuneration.(8.6.7)

2022 MIFIDPRU 8.6.7 Disclosures:

Fixed	£628,150
Variable	£1,030,253