

**Nikko Asset Management Luxembourg SA**  
Registered Office 19 rue de Bitbourg, L-1273, Luxembourg  
B123.103  
(the “Company”)

## Remuneration Policy

This Policy is dated March 2016 and approved by the Board of the Company on 23<sup>rd</sup> March 2016. Nikko Asset Management Luxembourg’s remuneration policy and practices reflect our objectives of good corporate governance and sustained, long-term value creation for our shareholders. The remuneration policy and practices also aim to promote sound and effective risk management.

The Company’s Management currently consists of a Board comprised of three (3) Directors, who have delegated the day-to-day business to three (3) Conducting Officers.

<b>Board</b>		
Mr. Nicolaus P. Bocklandt	Independent, Certified Director	6B, route de Trèves L-2633 Luxembourg
Mr. Phillip Yeo Phuyay Lik	Director, Head of Prod. Dev. & Mgmt Nikko Asset Management Asia Limited	12 Marina View, #18-02 Asia Square Tower 2 Singapore 018961
Mr. Michael J. Cieran Mulholland	Chief Operating Officer/Chief Finance Officer Nikko Asset Management Europe Ltd	1 London Wall London EC2Y 5AD United Kingdom
<b>Conducting Officers</b>		
Mr. John Li How Cheong	Independent	19 rue de Bitbourg L-1273 Luxembourg
Mr. Garry Pieters	Independent	19 rue de Bitbourg L-1273 Luxembourg
Mrs. Katie Christensen	Head of Compliance Nikko Asset Management Europe Ltd	1 London Wall London EC2Y 5AD United Kingdom

### Remuneration of the Board of Directors

Two of the Directors are employed by the Nikko Group, one Director is independent. The Nikko-related Directors are not remunerated by the Company for their positions as Board members of the Company. The other Director is independent and is remunerated by the Company and receives a fixed annual directorship fee.

### Remuneration of the Conducting Officers

Two of the Conducting Officers are independent from the Nikko Group and are remunerated by the Company. They receive a fixed annual fee. The Nikko-related Conducting Officer is not remunerated by the Company for their position as Conducting Officer.

Neither the Directors nor the Conducting Officers receive any remuneration other than fixed fees in respect of activities in relation to the Company (i.e. no variable component).

The remuneration of the Directors and of the Conducting Officers has been negotiated at normal arm’s length rates for the type of services provided. The structure and amount of the remunerations does not, in the opinion of the Directors, lead to any conflicts of interest other than those which are otherwise

inherent in their positions with the Company. The Company has a conflicts of interest policy, and conflicts are a fixed item on the agenda of every Board meeting.

The remuneration of the Board of Directors is disclosed in aggregate in the Statement of Operations in the Annual Report of the Company. The nature of the remuneration may be described in a note to the Annual Report.

As and when the size and complexity of the Company warrants this, the Board may decide to establish a Remuneration Committee.

#### Corporate Governance

The Board of Directors are responsible for monitoring compliance with the Remuneration Policy on an annual basis or when deemed appropriate.

#### Delegation arrangements

The Company has, subject to the continuous control and supervision and under the overall responsibility of the Company, appointed the entities listed below as investment managers for Nikko AM Global Umbrella Fund, Nikko AM Global Umbrella Trust & Nikko AM Global Investments (Luxembourg) sub-funds:

Nikko Asset Management Co., Ltd.  
Nikko Asset Management Asia Limited  
Nikko Asset Management Europe Ltd  
Nikko AM Limited

The Company has a) established that the delegate investment managers are subject to remuneration requirements which are equally as effective as the UCITS requirements or b) has contractually imposed the UCITS remuneration guidelines upon the relevant managers.

Specifically, the Company is comfortable that the remuneration policies for the above investment managers ensure:

- Performance-based remuneration is awarded in a manner which promotes sound risk management and does not induce excessive risk-taking
- Stringent governance structures for setting goals and communicating these goals to employees
- Alignment with the company business strategy, values, key priorities and long-term goals
- Alignment with the principle of protection of customers, investors and UCITS it manages ensuring prevention of conflict of interests