

Nikko Asset Management Luxembourg S.A.
Registered Office 19 rue de Bitbourg, L-1273, Luxembourg
B123.103
(the “Manco” or the “Company”)

Remuneration Policy

This Policy is dated 13th June 2017 and approved by the Board of the Company on 13th June 2017.

Nikko Asset Management Luxembourg S.A.’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 five (5) officers, who have delegated the day-to-day business to three (3) Conducting Officers.

Board		
Mr. Nicolaus P. Bocklandt	Independent, Certified Director	6B, route de Tréves L-2633 Luxembourg
Mr. Phillip Yeo Phuyay Lik	Director, Head of Prod. Dev. & Mgmt Nikko Asset Management Asia Ltd.	8 Cross Street, #8-07 Singapore 048424
Mr. Michael John Cieran Mulholland	Finance Director Nikko Asset Management Europe Ltd	1 London Wall London EC2Y 5AD, UK
Mr. David Semaya	Representative Director and Executive Chairman, Nikko Asset Management Co., Ltd.	Midtown Tower, 9-7-1 Akasaka, Minato-ku, Tokyo, 107-6242, Japan
Mr. Junichi Sayato	Representative Director and Executive Deputy President, Nikko Asset Management Co., Ltd.	Midtown Tower, 9-7-1 Akasaka, Minato-ku, Tokyo, 107-6242, Japan
Nikko Asset Management Luxembourg S.A. Employee		
Mr. Hervé Podevyn	Employee (to be Conducting Officer subject to CSSF approval)	19 rue de Bitbourg L-1273 Luxembourg
Conducting Officers		
Mr. Christoph Justen	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, UK

Remuneration of the Board of Directors

Four 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 Policy

Remuneration of the Nikko Asset Management Luxembourg S.A. Employee

The remuneration level of the Nikko Asset Management Luxembourg S.A. Employee is sufficient to attract and retain qualified and experienced personnel and to ensure independence in the performance of their role. Any remuneration awarded by Nikko Asset Management Luxembourg S.A. is aligned with Nikko Asset Management Group's remuneration policy which aims to promote:

- Sound and effective risk management
- Compatibility with the Company's long term business strategy
- Adequate ratio between fixed and variable pay

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 her position as a Conducting Officer of the Company.

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). Where a Conducting Officer is also an Employee of the Company, there may be a variable component of remuneration which is awarded in line with the section of this Policy headed "Remuneration of the Nikko Asset Management Luxembourg S.A. Employee".

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

Nikko Asset Management Luxembourg S.A. 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.,

Remuneration Policy

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

The management 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 management 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