

**GCP Europe Management S.à r.l.
Remuneration Policy**



Approved by the Board on 27 March 2024

1. Glossary

Term	Description
AIF	Alternative investment fund
AIFM	Alternative investment fund manager
Board	Board of managers of the Company, referred to as governing body within the meaning of in CSSF Circular 18/698
Company	GCP Europe Management S.à r.l.
CSSF	Luxembourg Financial Supervisory Authority (<i>Commission de surveillance du secteur financier</i>)
Control Functions	Staff (other than senior management) responsible for risk management, compliance, internal audit and similar functions within the Company
Funds	AIFs for which the Company acts as AIFM
Identified Staff	Categories of Staff, including Senior Management, risk takers, Control Functions and any employee 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 Company's risk profile or the risk profiles of the Funds. This policy might also apply to categories of Staff of the entity(ies) to which portfolio management have been delegated by the Company, whose professional activities have a material impact on the risk profiles of the Funds in the light of the value of the assets managed by such delegate, relative to the size of the assets managed by the delegate and by the Company.
GCP Europe	Refers to all entities established or incorporated in Europe (including EEA and non-EEA jurisdictions) directly or indirectly affiliated to the Company.
GCP Europe Reward Committee	A Committee set up to coordinate the remuneration and reward of GCP Europe employees, governed by specific terms of reference. This Committee is not intended as the remuneration committee foreseen in the AIFM Law.
Policy	This remuneration policy
Senior Management	The individuals responsible for the management of the professional, authorized by the CSSF, also known as "authorized management" or "conducting officers"
Staff	Any employee of the Company or its branch or any person being paid by the Company or the Funds

2. Applicable regulations

Term	Description
AIFM Law	Luxembourg law of 12 July 2013 on alternative investment managers
Guidelines	Guidelines on sound remuneration policies under AIFMD (ESMA/2013/232 and ESMA/2016/579)

Q&A	ESMA Questions and answers on the application of the AIFMD (ESMA34-32-352)
CSSF 18/698	CSSF Circular 18/698 on Authorisation and organisation of investment fund managers incorporated under Luxembourg law
CSSF 10/437	CSSF Circular 10/437 on Guidelines concerning the remuneration policies in the financial sector

3. Purpose and scope of the Policy

The Company is an AIFM according to the AIFM Law. As such, the Company is entitled to provide risk management and portfolio management services for different regulated and non-regulated investment vehicles.

According to the AIFM Law, the Company is required to establish and implement a remuneration Policy which is consistent with and promotes sound and effective risk management, including of long-term sustainability risks, and does not encourage risk-taking, which is inconsistent with the risk profiles, management regulations or instruments of incorporation of the Funds.

This Policy is adopted in compliance with the AIFM Law and takes into account the applicable ESMA guidance on remuneration under ESMA/2013/232, ESMA/2016/579) and ESMA/2016/411.

The Policy and the subsequent measures provide principles and guidelines which aim at ensuring that:

- The Company's remuneration Policy is in line with the business strategy, objectives, values and interests of the Company and the Funds or the investors of such Funds, and includes measures to avoid conflicts of interest;
- The Staff members are appropriately compensated for the services rendered to the Company;
- The Staff members are motivated to perform on the best interests of the Company and the Funds; and
- Remuneration is determined with a view to ensuring equity and consistency across the Company and compliance with regulations and law applicable to the context in which the Company operates.

The Policy concerns all forms of remuneration consisting of:

- payments and benefits paid by the Company to the Staff;
- any amount paid by the Funds themselves to the Staff, including carried interests, if any; and
- any transfer of interest in the Funds to the Staff, if any; in exchange for professional services rendered by the Staff of the Company.

4. General Principles

4.1 Risk

This Policy seeks to ensure that the Company's remuneration practices are consistent with and promote sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profile, rules and instrument of incorporation of the Funds. Effective risk assessment and management are critical to the success of the Company's activities and of the wider group. The main principles through which the Company ensures remuneration promotes responsible risk management and does not encourage risk-taking that exceeds the Company's risk appetite are:

- Aligning Staff interests with the interests of Fund, Fund investors and shareholders; and
- Spreading the responsibility for investment decisions (i.e., investment decisions are made collectively), which limits the ability of an individual to take excessive risks.

4.2 Business strategy

Real estate market is a long-term business, and the Company seeks to ensure that the remuneration reflects that time horizon, the objectives of the relevant Funds and their investors, and the business strategy of the Company.

Therefore, the Company seeks to secure the long-term commitment of Staff by aligning the features of its variable remuneration with the lifecycle, risks, and success of its Funds.

Additionally, this Policy aims to ensure that the remuneration does not create conflicts of interest and takes into consideration the best interests of the Company, the relevant Funds, and their investors to create and maintain sustainable and long-term value creation.

4.3 Proportionality principle

The Policy and the subsequent measures have been defined to be appropriate to the Company size, internal organization, nature, scope, and complexity of activities performed. The Company has decided to opt for the application of the proportionality principle at the level of the Company based on the analysis which outcomes are reflected in Annex II and thus not to implement the further listed requirements:

- Setting up of a remuneration committee;
- Payment of at least 50% of the variable component, in financial instruments and subsequent retention policy;
- Deferral of at least 40% of the variable part of the remuneration;
- Ex-post risk adjustment for the variable remuneration.

5. Governance of remuneration

The governance of the remuneration principles within the Company concerns different levels of responsibility:

The Board:

- lays down remuneration guiding principles;
- approves the Policy;
- periodically reviews the Policy's general principles; and
- is responsible for its implementation.

The Senior Management:

- implements the Policy according to the general principles adopted by the Board; and
- is responsible for the organization of the annual review of the Policy.

While applying proportionality principle, the Board has appointed GCP Europe Reward Committee (the "**Committee**") to support the determination of the variable remuneration of each employee of the Company in accordance with the principles defined in this policy and AIFM Law requirements.

The Committee comprises of the board members, CFO and the HR representatives as standing attendees.

The primary objectives of the Committee are:

- The Committee's decisions should promote the long-term success of GCP Europe, ensuring an appropriate balance in the structure of fixed and variable pay.
- Remuneration levels remain sufficient to attract, retain and motivate key contributors and is appropriately positioned relative to other companies.
- Compensation decisions account for employee, shareholder and investor interests.
- Performance related rewards should not encourage risk taking that could cause detriment to the firm or the funds that it manages.
- Ensuring that remuneration arrangements remain compliant with local tax and remuneration regulations.

The primary responsibilities of the Committee are:

- The preparation of recommendations to the Board of the Company, regarding the remuneration of the members of Identified Staff;
- To provide support and advice to the Board of the Company on the design of the AIFM's overall remuneration policy;
- To review the appointment of external remuneration consultants that the Board of the Company, may decide to engage for advice or support;
- To support the Board of the Company in overseeing the remuneration system's design and operation;
- To devote specific attention to the assessment of the mechanisms adopted to ensure that:
 - the remuneration system properly takes into account all types of risks as well as the liquidity and assets under management levels, and
 - the overall remuneration policy is consistent with the business strategy, objectives, values and interests of the AIFM and the Funds and their investors;
- to review several scenarios to test how the remuneration system will react to future external and internal events, and back test it as well. The central and independent review of the implementation of the remuneration policies and practices of the Company.

The Board has decided to delegate to the Chairman of the Board of Managers, with the full powers and capacity to implement the remuneration policy of the Company and approve all elements of remuneration of its employees, including of the Identified Staff. The Board responsibility is not impacted by this delegation, as it remains responsible for the implementation of the remuneration policy and definition of the variable remuneration.

6. Remuneration structure

The remuneration granted to all staff of the AIFM including Identified Staff may consist of:

- a fixed remuneration which remunerates role, responsibilities and expertise;
- a variable component which remunerates personal performance and collective achievements.

The Company ensures that fixed and variable components of total remuneration are appropriately balanced, and the fixed component represents a sufficiently high proportion of the total remuneration. This ensures full flexibility regarding the variable remuneration (including the possibility to pay no variable component).

Payments related to the early termination of a contract, if any, reflect performance achieved over time and are designed in a way that does not reward failure.

For the Staff based in Luxembourg, the pension policy is defined as part of a regulated pension scheme, with pre-defined allocation rules and managed by a 3rd party provider and registered with

the Luxembourg authorities. The pension scheme does not foresee any investment in GCP related products and has specific provisions related to the situation when people leave the Company either

due to resignation / dismissal or retirement. These principles are defined in the agreement with the Pension Plan provider, with no discretionary treatment.

There is currently no pension scheme implemented for the staff based in the Dutch Branch.

Guaranteed variable remuneration is exceptional, occurs only in the context of new hires and is limited to the year of hire.

It must be noted that employees in secondment do not get any direct remuneration from the Company and as a result are not covered by this policy. The Company will however consider the need to align the remuneration policy of such staff with this Policy in the light of:

- The activities and associated responsibilities performed by the employee in secondment;
- The time spent with the Company and the other activities performed by such company;

It has to be noted that employee in secondment aim to support the Company's activities for a defined period and are not expected to have any responsibility that would imply they could be categorized as Identified Staff.

6.1 Fixed remuneration

The fixed component of the remuneration encompasses, for all Staff members, the basic monthly gross salary, and allowances.

The Board members are not employees of the Company and receive a fixed fee determined by the extraordinary general meeting of the shareholders of the Company when they are not employees of GCP group.

6.2 Variable remuneration

In addition to the fixed components described under section 6.1. above, Staff members may receive, on a purely discretionary basis, a variable remuneration, so-called bonus, further to a performance assessment, as described under the section 7 hereinafter. As part of such variable remuneration, the Company may also offer other compensation schemes to select employees. This includes long-term incentives such as the Employee Trust Incentive Plan (the "**Trust**") and Omnibus Incentive Plan (the "**Omnibus**"), whose objective it is to offer eligible individuals stock options, stock appreciation rights, restricted stock awards or other stock-based awards to attract, retain and reward such individuals and strengthen the mutuality of interests between the individuals and the Company's shareholders. For the avoidance of doubt, the ETIP and Omnibus are excluded from the scope of this Policy.

The Company ensures that the measurement of performance used to determine the amount of variable remuneration to be allocated to the Staff members is taking into account the current and potential risks associated with activities undertaken. The total amount of remuneration shall be based on a combination of the assessment of the performance of the individual and of the business unit concerned, of the overall results of the Company and GCP Europe and proper consideration of the budget forecast.

When assessing the individual performance, the evaluation shall be based on financial and non-financial criteria (e.g., unethical or non-compliant behaviour). The appropriate mix of both criteria can vary depending on the tasks and responsibilities of the concerned individual.

Members of Identified Staff are required not to use personal hedging strategies or remuneration - and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements.

The Company especially ensures that the Staff engaged in control functions are compensated in accordance with the achievement of the objectives linked to their functions, independent of the performance of the business areas they control.

When assessing the performance of the Identified Staff, the Company applies an approach based on a multi-year perspective in order to take into account the long-term performance of the Identified Staff member as well as the life cycle of the Fund(s) managed by the Company. Accordingly, the main performance objectives are defined on a multi-year basis.

On an annual basis, the Company translates the results of the appraisal into the variable remuneration component for each concerned member of the Identified Staff.

The Company will ensure that the variable remuneration is not paid to any Staff member through vehicles or methods that facilitate the avoidance of the requirements of the applicable regulations.

Remuneration of the senior officers in the risk management and compliance functions is directly overseen by the Board, which might delegate to one of its members.

7. Disclosure

7.1. External disclosure

The annual report issued by the Funds will contain at least the following information:

- The total remuneration for the financial year (split into fixed and variable remuneration) paid by the Company to the entire Staff and number of beneficiaries and, where relevant, carried interest paid by the fund it manages;
- Aggregate amount of remuneration broken down by Senior Management and other Identified Staff members.

7.2 Internal disclosure

The Company ensures that the Policy is accessible to all Identified Staff. The Company also ensures that at least the details externally disclosed are also communicated internally.

The criteria used to determine the remuneration are communicated to each Staff member and the appraisal process adopted is documented and transparent as part of the annual performance review of each employee.

Confidential qualitative and quantitative information will never be subject to internal disclosure.

8. Document retention

The conducting officer in charge of human resource matters and internal organization shall ensure that the following documents are effectively retained and available, either at the premises of the Company, or with any provider/ group entity who might be responsible to provide support services:

- Copies of labour agreements between the Company and its Staff;
- Copies of the appraisals for each Staff member;
- Copies of the decisions on allocation of variable remuneration to the Staff member;

9. Periodic review

The implementation of the Policy will be subject, at least once a year, to a central and independent internal review, which will be organized by the Senior Management of the Company. This periodic review shall assess if the Policy:

- is operating as intended; and
- is compliant with national, international regulations principles and standards applicable to the sector within which the Company operates.

The outcome of the periodic review is properly followed up and presented to the Board. Any amendment to the Policy shall be approved by the Board and any change in relation to the remuneration of the Board members specific to their mandate as manager shall be approved by the extraordinary general meeting of the shareholders of the Company.