

William Blair & Company, L.L.C. and William Blair Investment Management, LLC

Remuneration Policy

Overview

William Blair & Company, L.L.C. and William Blair Investment Management, LLC (collectively, the “Firm”) are limited liability companies organized in the United States and are owned by its partners, each of whom is actively engaged in the Firm’s businesses. The Firm is global in nature and conducts a range of services, including investment banking, asset management, research, institutional sales, fixed income trading and wealth management. The Firm’s partners (which include virtually all of the Firm’s portfolio managers) are compensated based upon the profitability of the overall Firm as well as department and individual performance.

The Alternative Investment Fund Management Directive (“AIFMD”) does not directly apply to the Firm. However, the Firm believes that the AIFMD remuneration provisions and the ESMA Guidelines on Sound Remuneration Policies under the AIFMD and the Guidelines on sound remuneration policies under the UCITS Directive (collectively, the “Guidelines”) are premised on sound remuneration policies and are consistent with those utilized by the Firm as an employee-owned organization. Accordingly, while the Guidelines are not directly applicable, the Firm believes its remuneration principles as outlined below are consistent with the Guidelines. In addition, Sustainable Finance Disclosure Regulation requires ‘financial market participants and financial advisers to include in their remuneration policies details of how the policies are consistent with the integration of ‘sustainability risks’. A sustainability risk is defined as “an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment”. Sustainability risks can be climate-related, or related to other environmental, social and governance practices.

As part of its business, the Firm accepts mandates to provide delegated portfolio management services to third party fund managers, including Alternative Investment Fund Managers (“AIFMs”) and UCITS funds (“Funds”) that are subject to the Guidelines. While the Firm is not subject to the Guidelines, it is aware of the requirement that, when delegating portfolio or risk management, AIFMs and Funds it should ensure that appropriate remuneration rules are in place in respect of the delegate’s identified staff. The Firm believes the principles set forth below meet the requirements of the Guidelines in respect of Identified Staff.

Principle 1. Risk Management

The Firm’s Asset Management Business (IM) is primarily focused on long only equity strategies that are subject to clearly defined investment objectives, policies, and restrictions, consistent with the desires of its conservative institutional client base. The Firm maintains compliance systems that seek to ensure that all investments are made in accordance with those objectives, policies, and restrictions. In addition, the variable remuneration of portfolio managers is heavily focused on performance over longer investment horizons, an approach consistent with

the goals of its clients. Risk taking for short term performance gains is not encouraged and indeed is discouraged in a system that rewards consistent performance over periods of years, not months. In addition, because partners' compensation is to a great extent determined by the Firm's overall profitability, there is little or no incentive for portfolio managers to take on greater risk in the hope of individual short-term performance gains.

Our risk management processes include Environmental, Social and Governance (ESG) factors in any assessment of investment risk. We consider ESG factors to be among the many considerations that inform our investment decisions. For all our fundamental equity and fixed-income strategies, ESG factors are inextricably linked with our fundamental assessment of company management and sustainability of competitive strengths.

Our remuneration policy has been designed to complement a partnership structure which discourages risk taking that undermines the long-term goals of the Firm.

Principle 2. Supporting Business Strategy, Objectives Values, and Interests

The various strategies managed by the Firm are subject to clearly delineated investment objectives and policies and compliance with those mandates are closely monitored internally. In addition, internal compliance policies, including among others, its trade order aggregation and trade allocation policies, are designed to avoid even the appearance of conflicts between and among funds. Finally, as indicated above, compensation is not driven by short-term performance or revenue targets.

Principle 3. Governance

Compensation of IM employees is subject to the review of the Firm's Human Resources Department, in consultation with the Firm's Chief Executive Officer and Chief Financial Officer, neither of whom is actively involved in the asset management operations. Remuneration of the Firm's partners is largely dependent upon a partner's interest in the Firm, which is subject to the review and approval of the Firm's Executive Committee (comprised of partners most of whom are not involved in the IM business), and the approval of all of the Firm's partners at its annual meeting.

Principle 4. Control Functions

Employees engaged in control functions in the Firm's IM department are reviewed according to the objectives linked to their functions. Legal and compliance personnel remuneration is determined by the Firm's General Counsel and Chief Executive Officer and is not subject to influence of the business units.

Principle 5. Remuneration Structures-Assessment of Performance

Remuneration of partners (including portfolio managers) is determined annually through the reassessment of interests within the Firm. Such reassessments are based on a number of criteria, including both financial and nonfinancial, that seek to assess a person's overall contribution to the Firm and that of the partner's business unit. The reassessments consider overall performance over several year periods and, accordingly, changes in remuneration tend to be gradual. A partner's interest in the Firm determines his or her share of the Firm's profits, and therefore the total remuneration received also takes account of the overall performance of the Firm. Typically, the Identified Staff will be the senior portfolio managers who are almost all partners of the Firm.

Below partner level, the Firm's employees may receive discretionary bonuses. Any such bonuses are awarded from profits generated by the Firm and based on a combined assessment of individual and business performance, taking account of both financial and non-financial criteria.

- **Guaranteed Variable Remuneration**

The Firm does not guarantee variable remuneration to its partners or employees except in the case of new hires where remuneration may be guaranteed for the first full year of service.

- **Ratios Between Fixed and Variable Components**

As a partnership, the Firm's partners' remuneration consists of distributions and dividends and is, by definition, variable. However, the Firm has been consistently profitable and because partners' remuneration is primarily tied to overall Firm performance (and not short-term, individual performance), such remuneration has not varied significantly year to year. The Firm's employees receive fixed salaries with discretionary bonuses tied to job performance and job responsibilities.

- **Payments Related to Early Terminations**

Neither partners nor employees are entitled to payments upon termination except in the case of new hires who are terminated within short periods after hire.

- **Retained Units and Deferral**

Due to the structure and size of the Firm, it does not apply a deferral policy. The partnership structure is designed to focus its partners on the long-term interests of the Firm and addresses to a large extent the concerns underlying these principles.

- Performance Adjustment

As indicated above, partners' (including portfolio managers') remuneration is tied to their interests in the Firm and is reassessed annually based upon financial and non-financial criteria considered over multiple years. Similar reviews are conducted for staff remuneration.

Principle 6. Measurement of Performance

The partnership is structured so that remuneration (including partner dividends and distributions) are paid annually only after establishing adequate reserves for current and future risks. The assessment of performance discourages any risk taking that undermines the Firm's long-term goals.

The measurement of staff performance includes consideration and integration of the Firm's values which includes, among others, partnership or social responsibility and inclusivity or to embrace diverse backgrounds.

Principle 7. Pension Risk

The Firm sponsors profit-sharing plans (retirement plans) for its staff to which both the Firm and employees make annual contributions. Partners have similar plans that are funded by each partner (not the Firm). The Firm makes no payments to partners or staff following retirement.

Principle 8. Personal Investment Strategies

Employees and partners are generally not permitted to maintain accounts away from the Firm. Investments by IM employees and partners are subject to review by the Firm's compliance department. Since all remuneration is paid in cash, hedging policies are not relevant.

Principle 9. Avoidance of Remuneration Code

The Remuneration Code does not apply; however, the Firm partnership structure is such that the remuneration principles detailed above cannot be avoided.

Conclusion

The Firm is not strictly subject to the Guidelines; however, the principles that underlie the directive have long been ingrained in the Firm's structure and remuneration policies. Ownership of the Firm is widely spread across its partners, each of whom is actively engaged in the Firm's businesses. Partners are remunerated largely based on their interest in the Firm and the Firm's overall profitability. Those interests are reassessed annually by the Firm's Executive Committee and approved by the partners. In addition, the Firm's capital is represented by capital contributions made by the partners and, as a result, the Firm's risks are closely monitored. The principles

underlying partner remuneration are also applied in the Firm's remuneration policies for employees, as set out above. Consequently, the Firm believes that its structure, especially its broad-based employee ownership, promotes the principles that form the core of the Guidelines.

The Firm has a history of being a long-term partner to local communities. The Firm supports many charities each year through grants, employee matching gifts programs and offers ongoing global volunteer opportunities among other things. Social responsibility is integrated into the framework of the Firm and consequently is a consideration in its remuneration of its staff.

Adopted: July 22, 2014

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