

AllianzGI remuneration statement

At Allianz Global Investors, we believe competitive pay, strong engagement with employees, and the opportunity for challenging yet rewarding careers helps us attract, motivate and retain the highest calibre employees who are interested in long-term success for our clients and our company. We seek to reward our employees in support of our vision *to stand out as the investment partner our clients trust*. We recognize the importance of remuneration including monetary and non-monetary benefits, and reward employees using clear guidelines reviewed regularly in line with market practices and local regulations.

The primary components of monetary remuneration are the base salary, which typically reflects the scope, responsibilities and experience required in a particular role, and an annual discretionary variable compensation award. Variable compensation typically includes both an annual cash bonus that pays out following the end of the performance year and a deferred component for all members of staff whose variable compensation exceeds a certain threshold. Variable compensation is truly variable in that the amount of compensation awarded may be higher or lower than the prior year dependent on individual, team and company performance.

The level of pay awarded to employees is tied to both quantitative and qualitative performance indicators. Quantitative indicators are aligned around measurable goals. Qualitative indicators take into account actions reflecting our core values of excellence, passion, integrity and respect. For all employees, a 360 degree feedback evaluation forms part of the qualitative input.

For investment professionals, whose decisions make a real difference to delivering successful outcomes for our clients, quantitative indicators are aligned around sustainable investment performance. In particular for portfolio managers, the quantitative element is aligned with the benchmarks of the client portfolios they manage or with the client's stated investment outcome objective measured over one-year and three-year time periods.

For client facing professionals, goals include client satisfaction, measured independently.

As a further means of linking individual performance with long-term value creation for our clients and shareholders, a substantial portion of qualifying employees' annual variable compensation is deferred for a period of three years. Deferral rates increase in line with the amount of variable compensation. Half of the deferral is tied to the performance of the company, and the other half invested in the funds we manage. For investment professionals it is expected they will invest in funds they manage and support, further aligning their interests with those of our clients.