

Aberdeen Global Services S.A.

UCITS V Remuneration Policy Statement

The Aberdeen Global Services S.A. (the "Company") has approved and adopted this UCITS V Remuneration Policy ("the UCITS V Remuneration Policy") in conjunction with the remuneration policy of the Aberdeen Asset Management group of companies ("Aberdeen" or "Aberdeen Group"), (the Group Remuneration Policy).

The Company believes the UCITS V Remuneration Policy is:

1. Consistent with the UCITS Remuneration Code;
2. Is consistent with, and promotes sound and effective risk management;
3. Does not encourage risk-taking which is inconsistent with the risk profiles or the instruments constituting the UCITS or the prospectuses of the UCITS managed by the Company (the "Funds"); and
4. Does not impair compliance of our duty to act in the best interests of each of the Funds and its shareholders.

Aberdeen believes that rewarding staff for their contribution is key to recruiting and retaining a talented workforce.

Remuneration Philosophy

Aberdeen's Group Remuneration Policy reflects the Group's remuneration philosophy and has been designed to:

- Align the interests of staff with the sustained long-term interests of the Company, the Funds, the business, shareholders, and other stakeholders;
- Focus on performance-related pay, at both a corporate and an individual level, tempered by an emphasis on ensuring that performance is not achieved by taking risks which fall outside Aberdeen's and the Company and its Funds risk appetite;
- Promote sound risk management and discourage risk taking that exceeds Aberdeen's level of tolerated risk, having regard to the investment profiles of the Company and its Funds;
- Incorporate measures to avoid conflicts of interest; and
- Offer fixed remuneration and award incentives which are reasonable and competitive within the asset management sector.

Remuneration Governance

The Aberdeen Asset Management PLC Board of Directors has established a Remuneration Committee that operates on a group-wide basis. The Remuneration Committee is responsible for:

- Approving the Remuneration Policy
- Approving the remuneration packages of Senior executives
- Determining the size of any annual variable pay pool
- Approving the design of Incentive plans
- Considering the recruitment and redundancy of certain employees

The Remuneration Committee consists of at least three individuals, all of whom are independent non-executive directors of Aberdeen Asset Management PLC's Board. The Remuneration Committee receives independent external advice from specialist remuneration consultants and operates under formal terms of reference, which are reviewed annually. The current composition of the Remuneration Committee and its terms of reference are available on the Aberdeen website.

The Remuneration Committee meets on a regular basis to consider remuneration matters across the Group, (including at the Company). It receives appropriate input from the Group Head of Risk (and group-wide PLC Board Risk Committee) to enable it to take into account the risk profile of Aberdeen, the Company and its Funds when making decisions on remuneration.

The Group Remuneration Policy and its implementation is reviewed independently by the Group Head of Risk on at least an annual basis to ensure that it is aligned with sound risk management.

The Company, in its supervisory function, adopts and periodically reviews the general principles of the UCITS V Remuneration Policy Statement and is responsible for its implementation, ensures that this statement is in line with local regulatory requirements, and does not promote excessive risk taking in light of the risk profiles of the Funds under management.

The implementation of the UCITS V Remuneration Policy is, at least annually, subject to central and independent internal review for compliance with policies and procedures for remuneration adopted by the Company in its supervisory function.

The Company, acting through the Remuneration Committee, shall decide on remuneration of all UCITS V identified staff and the measures to be taken, in order to monitor the application of this UCITS V Remuneration Policy.

Determination of Remuneration and Benefits

As described above, the Company, acting through the Remuneration Committee determines remuneration under the Group Remuneration Policy and governance structure. Under this group-wide policy, remuneration and benefits are determined on the following basis:

Base salary	Base salaries are reviewed annually, taking account of market salary levels, Group performance, individual performance, changes in responsibility and levels of increase for the broader employee population.
Benefits	The Group currently provides a range of fringe benefits to its employees, as appropriate in local markets, such as: medical insurance; disability insurance; life insurance; paid holiday; and international medical benefits assistance where appropriate.
Pension	Employer contributions are made to defined contribution pension arrangements or equivalent cash allowances are paid, subject to normal practice in the relevant country. (Legacy defined benefit plans from corporate acquisitions are closed to all future accrual at the earliest reasonable opportunity.) No discretionary pension benefits are paid.

Variable Pay	<p>The Group's aggregate variable pay pool, in which all staff participate, is approved by the Remuneration Committee each year. The aggregate pool is normally capped at no more than 25% of pre-bonus operating profit, unless exceptional circumstances justify a higher cap.</p> <p>The pool is based on a range of key performance indicators (KPIs) linked to the Group's strategy, which provides a rounded assessment of the Group's performance. The Remuneration Committee reviews the KPIs each year, to ensure that they continue to reflect the priorities of the business.</p> <p>Aberdeen does not pay individual awards (solely) calculated on the basis of annual revenues. Instead proposals are discretionary and based on a number of factors including multi-year performance and non-financial metrics, such as teamwork along with compliance and risk awareness.</p> <p>Where required, we ensure that a sufficient amount (at least 50%) of total variable remuneration is both deferred and delivered in the form of: units or shares of the relevant Funds concerned; or equivalent ownership interests in the Funds concerned; or share-linked instruments relating to the Funds concerned; or equivalent non-cash instruments relating to the Funds concerned with incentives that are equally as effective as any instruments referred to above.</p> <p>Variable remuneration that is deferred may be delivered in PLC shares where Fund units cannot be utilised.</p> <p>A substantial proportion of any variable remuneration, and in any event at least 40%, of the variable remuneration component, is deferred over a period which is appropriate in view of any holding period recommended to the investors of the Funds concerned; and correctly aligned with the nature of the risks of the Funds in question; the period must be at least 3 years and vest no faster than on a pro-rata basis and takes into account any "holding period" recommended to the investors; for a variable remuneration component of £500,000 at least 60% of the amount must be deferred. Variable remuneration can decrease as a result of negative performance but also, can go down to zero.</p>
Carried interest or similar arrangements	<p>In a small number of instances, the Group may agree limited carried interest or similar arrangements which effectively link a proportion of staff pay to performance of a particular Fund. This is almost always done at the request of clients invested in the fund, to ensure alignment of interests, and is subject to specific review to ensure that any such arrangement does not encourage inappropriate risk taking.</p>

Clawback/Malus

A clawback/malus principle applies to the variable pay plan. This enables the Remuneration Committee to seek to recoup the deferred amount of any unvested variable pay, in the exceptional event of misstatement or misleading representation of performance; a significant failure of risk management and control; or serious misconduct by an individual.

Severance Arrangements

Severance arrangements for leavers are proportional to their contributions during employment. We do not enhance severance in the event of failure.

Guaranteed Variable Remuneration

Guaranteed variable remuneration is exceptional, occurs only in the context of hiring new staff and is limited to the first year of engagement.

UCITS Identified Staff

Staff considered UCITS Identified Staff are those categories of staff whose professional activities have a material impact on the risk profiles of the Company or the Funds that the Company manages.

UCITS identified staff will include:

- Senior Management
- Risk takers
- Staff engaged in control functions; and
- Any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, and whose professional activities have a material impact on the risk profiles of the Company or the Funds that the Company manages.

Control Functions

Employees engaged in control functions, (e.g. Risk, Compliance and Internal Audit) have functional line management structures outside of the business units they oversee, thus ensuring independence. The Internal Audit function evaluates the finance risk, control framework, business strategy and operating models independently and therefore the Global Head of Internal Audit reports directly to the Audit Committee Chairman. The Audit Committee Chairman approves the Global Head of Internal Audit's remuneration and appraisal. The Group Head of Risk has a reporting line to the Risk Committee. The Group Remuneration Committee signs-off on entire review including senior staff, risk management and compliance functions (i.e. those in control functions). UCITS Identified Staff (which includes control staff) are subject to the Group Remuneration Policy, elements of which may be revised, as set out in this UCITS V Remuneration Policy Statement to be compliant with UCITS V. Control functions variable compensation is determined on the achievement of meeting their own functional objectives as set in their appraisal.

Application

The UCITS V Directive applies to the first full performance period after 18 March 2016. The remuneration performance year runs from 1 January until 31 December, therefore the first full performance year will commence on 1 January 2017.

Remuneration covered by the UCITS V Directive shall apply to all fixed and variable components of remuneration, including salaries and discretionary payments.

The UCITS remuneration principles apply to:

- Any benefit of any type paid by the Company;
- Any amount paid directly by the UCITS itself, including performance fees, for the benefit of UCITS Remuneration Identified Staff; and
- Any transfer of units or shares of the UCITS made for the benefit of UCITS Remuneration Identified Staff.

Personal Hedging

UCITS Identified Staff are not permitted to undermine the risk alignment effects of the UCITS Remuneration Policy. Personal hedging strategies; or remuneration-related insurance; or liability-related insurance is not permissible on remuneration.

Delegation

The Company will ensure where any delegate whose professional activities have a material impact on the risk profile of the Company or Funds it manages are subject to regulatory requirements that are equally effective or appropriate contractual arrangements are put in place.