Remuneration policy

Quilter Investors Limited (**"the Firm**") has in place a remuneration policy ("**the Policy**") in accordance with the rules of its regulator (the "**FCA Rules**").

The Firm's board is responsible for approving and maintaining the Policy. The policy is designed to align the Firm's remuneration practices with its risk tolerance. The implementation of the Policy is overseen by the Quilter remuneration committee and the Firm has delegated aspects of its remuneration practices to the Quilter remuneration committee. The Quilter remuneration committee is composed of independent non-executive directors of Quilter plc, the parent company of the Firm.

The Firm is authorised by the Financial Conduct Authority ("**FCA**") as a full-scope UK alternative investment fund manager and manages a number of UK alternative investment funds (AIFs). The Firm is also a UCITS manager and manages a number of UK UCITS funds. The Firm also has permissions to conduct additional business under the Markets in Financial Instruments Directive and acts as delegate investment manager to Irish UCITS funds.

The Policy is designed to be consistent with, and promote, sound and effective risk management The Policy is also designed to not encourage risk taking which is inconsistent with the risk profile of the instrument constituting the relevant funds, the prospectuses of the funds that it manages, and the Firm itself. The Policy is designed to comply with the FCA Rules.

Under the Policy, bonuses are calculated and awarded by reference to a series of metrics:

- The assessment of the performance of the individual concerned, including financial as well as non-financial criteria such as adherence to the Firm's policies and procedures and effective risk management;
- The assessment of the performance of the business unit or fund concerned. Staff in compliance roles are also awarded independently of the business they oversee; and
- The overall results of the Firm.

The level of importance of each criterion is adequately balanced to take into account the position or responsibilities held by the individual concerned. The assessment of performance is also set in a multi-year framework appropriate to the life cycle of the funds managed by the Firm and the longer-term performance of the Firm. The Firm also sets an appropriate ratio of fixed to variable remuneration when awarding bonuses.

In accordance with the FCA Rules, the Policy applies the remuneration rules applicable to the Firm in a way which is appropriate to its size, internal organisation, and the nature, scope, and complexity of its activities, as described above. In some circumstances and depending upon a range of criteria, firms may use the principle of proportionality to disapply the Pay-out Process Rules contained in the FCA Rules. The Pay-out Process Rules are the requirement to:

- pay a specified proportion of variable remuneration of Remuneration Code Staff (as defined below) in retained units, shares, or other instruments ("**Pay-Out Process Rule 1**");
- defer a specified proportion of variable remuneration of Remuneration Code Staff ("**Pay-Out Process Rule 2**"); and
- adjust the level of variable remuneration, or clawback variable remuneration already paid, due to performance adjustment.

The Firm has determined that it is able to disapply Pay-Out Process Rule 1 and Pay-Out Process Rule 2 on grounds of proportionality, in accordance with the FCA Rules. The Firm's approach in this regard is kept under regular review, including review by the Firm's board on at least an annual basis. Whilst certain Pay-out Process Rules have been disapplied, the requirements of the Policy ensure that the interests of the Firm's officers and staff are aligned to those of the Firm and its clients. The Firm's approach ensures that there is a fully flexible bonus policy enabling it to award no bonus where performance does not justify an award and ensures that for some staff bonuses are partly paid in shares/units rather than just cash.

The above controls apply to the Firm's Remuneration Code Staff, which comprise (i) senior management; (ii) staff responsible for control functions, portfolio management, and other key functions; (iii) other risk takers; and (iv) any other staff receiving total remuneration that takes them into the same pay bracket as senior management and risk takers, and whose professional activities have a material impact on the risk profile of the Firm or of the funds the Firm manages. As the Firm delegates portfolio management of the funds, it requires that the remuneration of the delegate's relevant staff aligns with the principles and remuneration requirements set out in the Policy.

Policy review

The Policy is reviewed at least annually, taking into account current and future risks and having regard to the Firm's financial forecasts. Any changes are approved by the Firm's board and overseen by the Quilter remuneration committee.

Further information on the Policy including information on how remuneration is calculated and awarded is available free of charge on request by writing to:

Quilter Investors Limited, Senator House, 85 Queen Victoria Street, London, EC4V 4AB