Remuneration policy

Quilter Investors Limited ("**the Firm**") has in place a Remuneration Policy ("**the Policy**") in accordance with the rules of its regulator, the Financial Conduct Authority ("**FCA**").

The Firm's Board is responsible for approving and maintaining the Policy, which is designed to align the Firm's remuneration practices with its risk tolerance and is also ultimately responsible for awarding remuneration and benefits in the Firm. The Board has delegated oversight of the Policy and its application 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 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 MIFID 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 and not encourage risk taking which is inconsistent with the risk profiles, rules or instruments traded by the funds that it manages and of the Firm itself. The Policy is designed to comply with the FCA's rules.

Under the Policy, the Firm calculates and awards bonuses and benefits by reference to a series of metrics which include:

- 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 determined in advance, and 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 FCA rules, the Policy also 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 dis-apply the Pay-out Process Rules contained in FCA rules. The Pay-out Process Rules are the requirement to:

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

In accordance with the FCA Rules, the Firm has determined that it is able to dis-apply Pay-Out Process Rule 1 and Pay-Out Process Rule 2 on grounds of proportionality. 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 of the Pay-out Process Rules have been dis-applied, 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 ensure 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 the following:

- Senior Management;
- Any other staff (if applicable), who are not otherwise Senior Management, who are responsible for Portfolio Management, Risk Management, Compliance, Financial Management and Internal Audit ("Code Controlled Functions"); or
- Any other staff receiving total remuneration, that takes them into the same pay bracket as Senior Management and those performing Code Controlled Functions, and whose professional activities have a material impact on the risk profile of the Firm or on the funds the Firm manages.

Policy review

The Policy is reviewed at least annually, taking into account the current and future risks and capital and liquidity requirements, having regard to the Firm's financial forecasts. Changes are approved by the Firm's Board and overseen by the Quilter Remuneration Committee.

Updated information on the Policy including information on how remuneration and benefits are calculated in the Firm are available free of charge on request by writing to:

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