



ASSET MANAGEMENT

ROYAL LONDON UNIT TRUST MANAGERS LIMITED

(THE “COMPANY”)

UCITS SUMMARY REMUNERATION POLICY (THE “POLICY”)

1. Definitions

The following definitions are deemed to apply for the purposes of this Policy:

“ACD”	Means the Authorised Corporate Director of the Company.
“ESMA Guidelines”	Means the ESMA Guidelines on sound remuneration policies under the UCITS Directive.
“Investment Managers”	Means Royal London Asset Management Limited or any other person or persons for the time being duly appointed investment manager of the Company in succession to Royal London Asset Management Limited in accordance with the requirements of the Financial Services Authority and where the Investment Manager has delegated responsibility for the management of all or part of the assets of a sub-fund of the Company, the term Investment Manager shall also refer to the sub-investment manager of that particular sub-fund.
“UCITS”	Means an “Undertaking for Collective Investment in Transferable Securities”.
“UCITS Directive”	Means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective

investment in transferable securities as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 as regards depositary functions, remunerations policies and sanctions, including its mandatory implementing regulations on an EU or Home Member State level.

2. Introduction

The ACD has put in place the policy for the ACD that is in accordance with the requirements of SYSC 19E of the Senior Management Arrangements, Systems and Controls sourcebook of the Financial Conduct Authority Handbook and is in line with the Royal London Group Remuneration Policy.

The policy is designed to ensure that the ACD's remuneration practices are consistent with and promote sound and effective risk management, do not encourage risk taking, ensure it does not impair its duty to act in the interest of the Funds, and are consistent with the risk profile of the UCITS funds that the ACD manages.

The ACD considers the policy to be appropriate to the size, internal operations, nature, scale and complexity of the UCITS funds that the ACD manages and in line with the risk profile, risk appetite and the strategy of those funds.

3. Identified remuneration code staff

The policy will apply to the fixed and variable (if any) remuneration received by the identified UCITS Remuneration Code staff. The identified staff are those whose professional activities have a material impact on the risk profile of the Funds in line with the draft ESMA guidelines.

The final identification of all code staff for the ACD will be finalised on the issue of the ESMA Guidelines which are due to be published late March 2016. Any subsequent changes in code staff will be reflected in this published summary remuneration policy.

4. Remuneration committee

The person responsible for awarding the remuneration is the Royal London Mutual Insurance Society Limited Remuneration Committee. This committee is independent of the ACD.

5. Fixed and variable remuneration

The Remuneration Policy will apply to the ACD's first full performance period starting after 18 March 2016, which is 1 January 2017 to 31 December 2017.

The Remuneration Policy outlines how fixed and variable remuneration is calculated, which includes, but not limited to:

- an assessment of the individual member of staff's performance, the relevant Fund, the business unit and its risks;
- restrictions on the awarding of guaranteed variable remuneration;
- the balance between fixed and variable remuneration;
- payment of non-financial remuneration in the form of units or shares in the UCITS funds the ACD manages;

- a mandatory deferral period of at least 3 years for the payment of a substantial portion of the variable remuneration component; and
- the reduction or cancellation of remuneration in the case of under-performance.

Further details of how variable remuneration is to be calculated will be published in this summary policy once the finalised ESMA Guidelines is available, as referred to in point 3.

6. Delegation

In respect of any investment management delegates, the ACD requires that: (i) the entities to which such activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the European Securities and Market's (ESMA's) Guidelines on Sound Remuneration Policies under the UCITS Directive and AIFMD/ Article 14 of the UCITS Directive; or (ii) appropriate contractual arrangements are put in place with entities to which such activities have been delegated in order to ensure that there is no circumvention of the remuneration rules set out in the ESMA Guidelines or the FCA Handbook.

7. Annual review

On an annual basis the ACD will review the terms of this policy and assess whether its overall remuneration system operates as intended and is compliant with the obligations on remuneration as set out in SYSC 19E. This policy will be updated by the ACD as and when required.

8. Effective date

The effective date of this policy is 18 March 2016.

Royal London Asset Management Limited, registered in England and Wales number 2244297; Royal London Unit Trust Managers Limited, registered in England and Wales number 2372439. RLUM Limited, registered in England and Wales number 2369965. All of these companies are authorised and regulated by the Financial Conduct Authority.

All of these companies are subsidiaries of The Royal London Mutual Insurance Society Limited, registered in England and Wales number 99064. Registered Office: 55 Gracechurch Street, London, EC3V 0RL. The marketing brand also includes Royal London Asset Management Bond Funds Plc, an umbrella company with segregated liability between sub-funds, authorised and regulated by the Central Bank of Ireland, registered in Ireland number 364259. Registered office: 70 Sir John Rogerson's Quay, Dublin 2, Ireland.