



Remuneration framework For UCITS / AIF Management Companies

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Introduction

Remuneration principles under Directive 2009/65/EC (the Undertaking for Collective Investment in Transferable Securities Directive, or 'UCITS Directive'), as amended by Directive 2014/91/EU ('UCITS V'), are laid down under Article 14 of the UCITS Directive. Remuneration principles under Directive 2011/61/EU (the Alternative Investment Fund Managers Directive, or 'AIFMD') are laid down under Article 13 and Annex II of AIFMD. The UCITS Directive and AIFMD collectively will be referred to as the 'Directives'. The European Securities and Markets Authority ('ESMA') has issued guidelines on sound remuneration policies under each of the UCITS Directive¹ and AIFMD² (together the 'ESMA Guidelines').

This document sets out the remuneration framework that applies for UCITS and AIF Management Companies within the Schroders Group (the 'Management Companies') as listed below, and specifically for employees who have been identified as 'Material Risk Takers' (MRTs) under the Directives:

- Schroder Capital Management (France) SAS³;
- Schroder Investment Management (Europe) S.A. ('SIM Europe');
- Schroder Real Estate Investment Management Limited ('SREIM');
- Schroder Real Estate Kapitalverwaltungsgesellschaft mbH ('SREK');
- Schroder Real Estate Managers (Jersey) Limited ('SREM');
- Schroder Unit Trusts Limited ('SUTL').

This remuneration framework was established to comply with the remuneration requirements of the Directives. The remuneration framework is consistent with and promotes sound and effective risk management and does not encourage risk taking that is inconsistent with the risk profiles, rules or instruments of incorporation of the UCITS funds or Alternative Investment Funds (AIFs) that the Management Companies manage nor impairs compliance with the Management Company's duty to act in the best interest of the UCITS Funds or AIFs. It is sufficiently flexible to be aligned with the business strategy, objectives, values and interests of each Management Company and the UCITS funds or AIFs that they manage and of the investors in those funds.

The remainder of this document sets out the following:

1. Remuneration governance
2. Remuneration decision-making
3. Remuneration structure
4. Identification of Material Risk Takers

¹ www.esma.europa.eu/sites/default/files/library/2016-575_ucits_remuneration_guidelines.pdf

² www.esma.europa.eu/sites/default/files/library/2015/11/2013-232_aifmd_guidelines_on_remuneration_-_en.pdf

³ Operated as Schroder AIDA SAS until December 2022

Section 1 Remuneration governance

The governance of remuneration at Schroders operates as follows:

The Remuneration Committee of the Board of Schroders plc

Schroders as a Group (Schroders plc and its subsidiaries, the 'Group') has a Remuneration Committee, consisting of independent non-executive Directors of Schroders plc, which provides firm-wide remuneration oversight. The Remuneration Committee determines the Group remuneration policy and oversees its implementation across the firm globally. This includes oversight of the identification of MRTs for each of the Management Companies across the Group and the level and structure of their remuneration.

To ensure the Committee is adequately informed of risks facing Schroders and the management of those risks, a member of the Audit and Risk Committee of Schroders plc serves on the Remuneration Committee. The Committee also receives reports from the heads of Risk & Compliance, Internal Audit and Legal, as part of its consideration of remuneration proposals. This ensures the Committee is constituted in a way that enables it to exercise competent and independent judgment on remuneration policies and practices and the incentives created for managing risk.

The Committee's other responsibilities include reviewing and approving the remuneration strategy for the Group, ensuring that remuneration arrangements are consistent with effective risk management and do not encourage excessive or inappropriate risk-taking, overseeing the remuneration governance framework and recommending to the Board of Schroders Plc the Group's policy on Directors' remuneration. The Schroders Remuneration Report in the latest Schroders plc Annual Report and Accounts (available on www.schroders.com/ir) provides more information on the activities of the Remuneration Committee of Schroders plc and our remuneration principles and practices.

The Board of each UCITS or AIF Management Company

The Board (or Supervisory Board, where applicable) of each of the Management Companies is responsible for the adoption of the remuneration framework and ensuring remuneration policies and practices do not encourage risk taking that is inconsistent either with the risk profiles, rules or instruments of incorporation of the UCITS funds and AIFs that they manage or with the Management Companies' duty to act in the best interest of those funds.

This remuneration framework was first implemented in 2017, after which the Board (or Supervisory Board) of each Management Company periodically reviews the remuneration framework and its implementation in relation to the Management Company. The remuneration structure at Schroders has been largely unchanged for many years, reflecting the firm's long-term approach. That structure is considered to be consistent with and to promote sound and effective risk management and not to encourage inappropriate risk taking. To meet the specific remuneration structure requirements of the Directives, a remuneration structure aligned to those requirements applies for employees who are considered to be UCITS and AIF MRTs⁴. Section 3 provides more information on the UCITS / AIF MRT remuneration structure.

The Board (or Supervisory Board) also reviews the UCITS and/or AIF MRT population for the Management Company, in line with the Schroders MRT identification approach. The approach to identifying MRTs is based on the text of the Directives and the ESMA Guidelines, which provide more guidance on identifying MRTs. Section 4 provides more information on the identification of MRTs.

Independent annual review

The implementation of the remuneration framework is subject to independent annual review by the independent Internal Audit and/or Compliance functions of Schroders Group. These reviews aim to ensure the framework is consistent with the requirements of the Directives, as applicable, and that remuneration practices are consistent with the policies and procedures adopted by the Board of each Management Company. In addition, a firm-wide 'remuneration policy statement' setting out key features of the remuneration framework across the Group is reviewed each year by the global heads of control functions.

⁴ The UCITS / AIF remuneration structure may also be applied to some other employees, e.g. where similar rules apply under non-European regulations and possibly to some employees who were UCITS / AIF MRTs previously and then ceased to be such due to factors such as individual role changes or business restructuring.

Section 2 Remuneration decision-making

Remuneration principles

Schroders' approach to remuneration was developed to create alignment with its key stakeholders:

Clients	A proportion of variable remuneration for higher-earning employees and material risk takers is granted as fund awards, which are notional investments in funds managed by the Group. This aligns the interests of employees and clients.
Shareholders	<p>A proportion of variable remuneration for higher-earning employees and Material Risk Takers is granted in the form of deferred awards over Schroders shares. This aligns the interests of employees and shareholders. Executive Directors and other members of the GMC are required, over time, to acquire and retain a significant holding of Schroders shares or rights to shares. Vested share-based awards from bonuses are unable to be exercised until the requirement has been met.</p> <p>Our ratio of operating compensation costs to net operating income guides the total spend on remuneration each year. This is recommended by the Committee to the Board.</p>
Society & environment	Sustainable leadership is key to our business and flows from our long-term outlook. Performance against sustainability goals is considered in the annual compensation review for individuals who have the ability to influence our investment and business operations, ensuring alignment with our commitment to responsible practices.
Our people	<p>Employees receive a competitive remuneration package, which is reviewed annually and benchmarked by reference to the external market. This allows us to attract, retain and motivate highly talented people, regardless of gender, age, race, sexual orientation, disability, religion, socioeconomic background or other diversity facet.</p> <p>Deferred variable remuneration does not give rise to any immediate entitlement. Awards normally require the participant to be employed continuously by the Group until at least the third anniversary of grant in order to vest in full.</p>

Determining the firm-wide bonus pool

The overall size of the annual pool for variable performance-related pay is a material component of the Group's total remuneration expense. Our ratio of operating compensation costs to net operating income guides the total spend on remuneration each year, as recommended by the Remuneration Committee to the Board. This ensures that the aggregate spend on variable performance-related pay is directly linked to the Group's performance.

In determining total compensation spend each year, the Remuneration Committee receives reports on risk & compliance, legal and internal audit matters from the heads of those areas and a report on the underlying strength and sustainability of the business. The directors of the Management Company can escalate to the management of Schroders Group and/or the Remuneration Committee any concerns about the performance or behaviours of employees, and in particular of UCITS or AIF MRTs. In addition, the Conduct Assessment Group ('CAG') independently reviews potential conduct indicators and oversees an annual review of MRTs across Schroders to consider by exception whether there are any indicators contrary to appropriate conduct and behaviours.

The Schroders values

The importance of culture to long-term value and how corporate cultures are defined, embedded and monitored is a key issue for boards, regulators and other external stakeholders.

The Group's values of Integrity, Excellence, Innovation, Passion and Teamwork, are embedded in interview processes, with psychometric testing available to support this where appropriate. Induction processes are also based around the Group's 'Guiding Principles', rooted in the Group's values, to ensure that employees understand what is expected of them. Ensuring the cultural fit of new employees with the business is a key focus of management and the People & Culture teams. The Schroders values are also considered throughout

the employee life-cycle and form part of the performance management process, which in turn impacts remuneration outcomes.

Individual performance management

At Schroders, performance management is a key input when determining individual remuneration recommendations. Schroders operates an annual cycle to set objectives and then assess performance and behaviours against our values.

- At the start of each year, following the business planning and budgeting cycle, individual performance goals and objectives are set, in discussion between employees and first line managers. Objectives typically combine both financial and non-financial goals and in addition all employees are subject to a non-financial performance assessment based on behaviours compared to Schroders values, as outlined below.
- Performance check-ins are carried out during the year, to provide an opportunity for structured feedback and coaching.
- Towards the end of the year, the annual appraisal assesses the performance of each employee against expectations (a 'performance snapshot'), by reference to the objectives set at the start of the year. For our investment teams, a key factor in any such assessment is the investment performance of the relevant investment desk, which is assessed over at least 1, 3 and 5-year periods.
- Schroders has integrated the assessment of sustainability factors and risk across our managed assets. This means that when we assess the performance of our investment desks we do so having regard to investment performance that is in part derived from ESG-integrated investment processes. ESG integration, coupled with investment performance measured over at least a 5-year period, means that the consideration and management of sustainability factors and risks are a component of our remuneration decisions for our investment teams.

The performance appraisal is a key input when determining individual compensation recommendations. Performance is assessed across three key areas:

- Business Excellence
- Behavioural Excellence
- Conduct

For Business and Behavioural Excellence there are four possible ratings: Exceptional, Excelling, Performing and Developing. For Conduct, the manager assesses whether the employee's behaviour met Schroders and regulatory expectations.

To further ensure a consistent and inclusive approach, each line of business calibrates their initial ratings before communicating them to employees with the aim of eliminating bias and to give a greater sense of fairness in the outcomes.

This multi-faceted performance rating approach allows greater focus on rewarding those who are taking a 'whole firm' approach and demonstrating behaviours aligned to the firm's values, working collaboratively across the firm and demonstrating the behaviours we expect in a client-centric culture.

Conduct, compliance and risk management in remuneration

The Conduct Assessment Group, consisting of the control function heads, the Chief People Officer and a representative from legal, independently review indicators of potential conduct or cultural issues, such as compliance breaches, risk events, grievances and disciplinary matters, to identify and investigate any instances where conduct and behaviours have fallen short of the Group's expectations. Any issues identified in this way are fed into the performance appraisal and compensation review processes and a report is provided to the Remuneration Committee after each meeting. This provides a further opportunity to reflect attitudes to risk and compliance and behaviours in line with our values in the determination or allocation of the bonus pool and in individual employee performance ratings and remuneration outcomes.

The Remuneration Committee has adopted a risk-adjustment framework for the firm-wide bonus pool and this is considered at each stage of the year-end compensation review process. The Remuneration Committee also receives independent reports on risk & compliance, legal and internal audit matters from the heads of those areas in its consideration of compensation proposals, which provides a further opportunity for any material concerns to be escalated.

MRTs are subject to enhanced scrutiny and oversight, including enhanced control function oversight of their activities and direct oversight of their remuneration by the Remuneration Committee.

Remuneration decision-making

The Group Chief Executive allocates the overall bonus pool between the divisions or functions headed by members of the GMC, taking into consideration both financial and non-financial performance. Remuneration recommendations for individual employees are in each case based on the line manager's assessment of the employee's performance against objectives, the performance of the relevant business area and the levels of reward for comparable roles in the market. Recommendations are reviewed up the management line and ultimately are recommended by members of the GMC to the Group Chief Executive, for review and approval. Individuals are not involved in determining their own remuneration.

The Remuneration Committee determines the remuneration for the executive Directors and Company Secretary of Schroders plc and for members of the GMC, reviews the remuneration of the heads of control functions, monitors the level and structure of remuneration for other MRTs and oversees remuneration more broadly across the Group.

Remuneration decision-making for control function roles

The performance of staff engaged in control functions is appraised based on the achievement of objectives that are specific and appropriate to their roles and functions, independently of the performance of the business areas that they oversee. Remuneration recommendations are based on those individual performance assessments.

Remuneration recommendations for control function employees are put forward by the management of the respective control function, taking into account the annual performance appraisal and market remuneration benchmarking data. The remuneration recommendations for key control function positions, including the Chief Risk Officer and the Head of Group Internal Audit, and other senior members within the control functions, are reviewed and monitored by the Remuneration Committee, as are remuneration recommendations for all UCITS and AIF MRTs.

Section 3 Remuneration structure

Employee remuneration at Schroders is made up of fixed remuneration, which does not vary with performance, and variable remuneration, which is performance related. The fixed and variable components of remuneration are appropriately balanced to allow a fully flexible approach to variable remuneration, including the possibility of paying zero variable remuneration to an employee where warranted.

Fixed remuneration

Fixed pay is principally comprised of salaries or fees. All UCITS and AIF MRTs receive either a salary (for employees) or fees (for non-executive directors) that reflect their responsibilities and the level of experience and expertise needed to undertake their roles. Employees who serve as Directors of the Group's regulated Management Companies receive no additional fees in respect of their role on the Board of the Management Companies.

Salaries and fees are paid in cash via payroll. Salaries are reviewed annually and any increases are normally effective on 1 March following the financial year-end. The financial situation of the firm and the performance of each individual are taken into account when determining the appropriate level of salary increase each year, if any. Schroders actively targets its spend on salary increases at lower-paid employees, for whom fixed remuneration forms a larger proportion of total remuneration. For higher-paid employees, base salaries are adjusted infrequently.

Fixed pay also includes appropriate benefits in kind to help recruit and retain talent, reflect local market practice and support employee health and wellbeing. Employee benefits vary between jurisdictions, reflecting local market practice and statutory requirements. Cash allowances may also be paid, typically after a benefit was phased out so cash in lieu was offered to existing employees in exchange. Additional benefits may be provided if required, for example to support international relocation.

Retirement benefits are also provided, to help recruit and retain talent, reflect local market practice and to enable and encourage provision for retirement. The retirement benefits that are provided for UCITS and AIF MRTs are in line with the business strategy, objectives, values and long-term interests of the relevant Management Company and the regulated funds that it manages. Schroders does not provide employees with discretionary pension benefits.

Variable remuneration

Variable performance-related pay is principally comprised of annual bonus awards, which aim to motivate employees to achieve financial, non-financial and personal objectives for the year and to reward employees for their individual contribution. Non-executive directors do not receive variable performance-related pay.

UCITS and AIF MRTs who are permanent employees are eligible to be considered for an annual bonus award each year. Bonuses for all employees take account of overall Group, team and individual performance against agreed objectives. In this context, performance includes financial and non-financial measures and in particular an assessment of the employee's behaviour and the extent to which it is in line with Schroders values of Integrity, Excellence, Innovation, Passion and Teamwork. The heads of Risk & Compliance, Internal Audit and Legal provide input to Senior Management and the Remuneration Committee on issues that should be taken into consideration in setting the bonus pool or reviewing individual remuneration outcomes. The Conduct Assessment Group independently review indicators of potential conduct or cultural issues and any issues that are identified are fed into the performance appraisal and compensation review processes.

Schroders Group believes that a discretionary incentive approach is preferable to the use of formulaic arrangements, to ensure that good conduct and behaviours in line with our values are rewarded, to avoid reinforcing or creating conflicts of interest and to encourage a one team attitude.

The use of guaranteed bonuses is exceptional, so a guaranteed bonus may only be offered where strictly necessary in the context of hiring new staff, and then is limited to the first year of employment. Any termination payments reflect performance over time and are designed to not reward failure, taking into account the circumstances of the termination, on a case-by-case basis.

Bonus deferral

Variable remuneration for all Schroders employees is subject to deferral, which works to increase the alignment of employee interests with those of clients and shareholders and as a mechanism to retain talent. There are significant differences in the level of total remuneration paid to different employees, and within that

to different UCITS and AIF MRTs. This is in line with Schroders remuneration principles, reflecting the different competitive market rate for those roles, as well as differences in individual, team and business performance. The structure of variable remuneration for UCITS and AIF MRTs takes into account the level of remuneration, as follows.

Employees across Schroders Group see a proportion of their variable remuneration subject to deferral if the bonus is £52,000 or more (or the local currency equivalent). If the bonus is less than £52,000 then the bonus is paid all in cash (including for UCITS and AIF MRTs).

For employees receiving larger bonus awards, a significant proportion of their annual bonus award is deferred. For those who are UCITS and AIF MRTs, at least 40% of any bonus is deferred, with the amount deferred increasing when the bonus exceeds £250,000 (or local currency equivalent), up to 60% of the total bonus for bonuses of £500,000 or more. At least 50% of the deferred annual bonus awards for UCITS and AIF MRTs is delivered as a fund award, and the balance as a share award. In addition, for UCITS and AIF MRTs, half of the upfront bonus (i.e. the portion that is not deferred) is paid in cash and half is delivered as an upfront fund award, which must be retained for a period following the end of the performance year.

Bonuses are deferred through awards under the Deferred Award Plan (DAP). Upfront fund awards for UCITS and AIF MRTs are also granted under the DAP. The DAP aligns the interests of employees with those of clients and shareholders, provides an incentive for the employee to stay at Schroders and makes it more expensive for competitors to recruit talent from Schroders. Fund awards are conditional rights to receive a cash sum based on the value of a notional investment in a range of Schroders investment products, so the amount received from fund awards is directly determined by the Group's performance managing funds for our clients. Share awards are conditional rights to acquire shares in the Company at nil cost.

The table below sets out in more detail the remuneration structure for UCITS and AIF MRTs:

Design feature	Remuneration structure for UCITS / AIF MRTs (£ values shown in practice are the local currency equivalent)	
Minimum bonus for this structure to apply	<p>The remuneration structure below applies to all UCITS / AIF MRTs with a bonus of £52,000 or more (or local currency equivalent).</p> <p>For UCITS / AIF MRTs with a bonus below this level the bonus will be paid all in cash, in line with the approach under Schroders' standard remuneration framework (i.e. the remuneration framework that applies for employees who are not UCITS / AIF MRTs). This provides a proportionate approach to UCITS / AIFMD compliance, targeting the remuneration structure requirements at more significant risk-takers.</p>	
Proportion deferred	<ul style="list-style-type: none"> - Total bonus is less than £52,000 - Total bonus is £52,000 up to £250,000 - Total bonus is £250,000 to £500,000 - Total bonus is £500,000 or more 	<ul style="list-style-type: none"> No deferral (see above) 40% deferral of the total bonus value Linear interpolation of deferral value 60% deferral of the total bonus value
Structure of the upfront element	<ul style="list-style-type: none"> - If total incentive is less than £52,000 then the bonus is payable all in cash in February following the end of the financial year via payroll - If the total incentive exceeds £52,000 the upfront element is instead split into two equal elements: <ul style="list-style-type: none"> - Half paid in cash in February via payroll - Half granted as a fund award in March following the end of the financial year, available for exercise in the 9th month following the financial year-end (September)⁵, subject to Schroders' standard malus and clawback terms - On release, upfront fund awards will be available to exercise or can be left in the scheme for the remainder of the award's five-year life 	
Structure of the deferred element	<ul style="list-style-type: none"> - Delivered as at least 50% in fund awards and the remaining balance in share awards in March following the end of the financial year - Vesting pro-rata over three years, so the right to exercise deferred share and fund awards vests in equal instalments over the deferral period. <ul style="list-style-type: none"> - The right to exercise share awards will vest in equal instalments in the 15th, 27th and 39th months following the financial year-end (i.e. in March each year, on the first three anniversaries of grant) - The right to exercise fund awards will vest in equal instalments in the 21st, 33rd and 45th months following the financial year-end (i.e. in September each year, skipping the first September after the financial year-end)⁵. The later release of fund awards provides an additional retention period. 	

⁵ There is an additional 3 month retention period on the fund awards for UCITS/AIF MRTs of Schroder Capital Management (France) SAS.

Other deferred remuneration awards

Additional deferred remuneration awards are used very selectively each year to recognise sustained high performance and potential, and to increase the alignment of employee interests with the interests of shareholders and clients. These awards operate in a similar way to deferred bonus awards, but typically vest after five years. There is no upfront element to these awards. The awards are discretionary and subject to a thorough review process. Nominations are reviewed in consideration of the individual's performance (taking into account financial and non-financial factors) and potential over at least one year.

For certain investment vehicles, the firm receives a 'carried interest' if investment returns for clients exceed a pre-agreed rate of return. Clients look for key employees to be eligible to receive a share of any carried interest earned, to align investment team interests with their own. With the Group retaining a share of carried interests this also aligns the team's interests with those of the firm. Schroders has agreed principles and a framework for how employee carried interest programmes operate. The allocation of carried interest entitlements to employees focuses on the individual's contribution to the investment vehicle and employee co-investment is encouraged. The vesting period for these entitlements is aligned to the lifecycle of the investment vehicle. These programmes are designed in such a way that they satisfy regulatory principles around long-term risk alignment without having to apply additional deferral at the point carry crystallizes.

Malus and clawback terms

Under malus terms, deferred remuneration awards, including entitlements under employee carried interest programmes, may be reduced or lapsed, at the Remuneration Committee's discretion. Under clawback terms, amounts paid or released from such awards may be recovered for a period of 12 months from the date of payment or release, at the Committee's discretion. These terms can be used to risk-adjust remuneration awards in a range of circumstances, set out in the Group's malus and clawback policy. The potential malus and clawback triggers were designed around the requirements of the UCITS and AIFM Directives and the ESMA Guidelines on remuneration under those directives. The circumstances in which malus and clawback may be triggered include:

- Fraud, misbehaviour or misconduct by the Participant
- Serious error by the Participant as a result of the Participant's negligent conduct or omission
- A significant failure of risk management for which the Participant has significant responsibility
- Failure to meet appropriate standards of fitness and propriety by the Participant
- There is a regulatory sanction or serious reputational damage where the conduct or omission of the Participant significantly contributed to the sanction and/or damage
- A material financial misstatement for which the Participant has significant responsibility or which has led to a greater portion of an award being released to the Participant than would otherwise have been the case
- Corporate failure or a significant downturn in financial performance for which the Participant has significant responsibility and the Committee considers that negligent conduct or an omission of the Participant has significantly contributed to that failure or downturn
- The Group has received a reduction notice in relation to a buy-out award
- An award has vested/been settled, or is capable of vesting/being settled, to a greater extent than would otherwise have been the case, as a result of erroneous or misleading data
- An award received in breach of regulatory requirements or where the financial sustainability of the Group or any Member of the Group would be adversely affected
- Any other circumstances that may justify it, including local regulatory obligations

Any variable remuneration, including the deferred portion, is paid or vests only if it is sustainable according to the financial situation of the Management Company as a whole. More stringent malus / clawback terms may apply to certain individuals where required to comply with other regulatory requirements.

Personal hedging strategies

Staff are not permitted to use personal hedging strategies or insurances to undermine the risk-alignment effects embedded in their remuneration arrangements. All employees are required to actively confirm that they have read and understood the Compliance policies on an annual basis, including a comprehensive

Personal Account Dealing policy which requires disclosure of all Schroders transactions. Hedging of foreign exchange rate exposure through remuneration awards is permitted.

International variations

Due to country differences, such as tax, securities and employment law, the remuneration structure must be varied in some jurisdictions. Schroders carries out international legal due diligence on remuneration structures each year to stay abreast of local legal and regulatory developments.

No avoidance of remuneration regulation requirements

The Group ensures that variable remuneration is not paid through vehicles or methods that facilitate the avoidance of the remuneration requirements of the UCITS/AIFMD remuneration requirements. Remuneration policies and practices set out the agreed way in which remuneration is structured, governed and paid. A range of controls exist to support those policies and practices. In addition, there is a positive attestation process whereby a suitable representative of each jurisdiction across the Group confirms each year that no payments have been made or offered, no benefits provided and no other actions taken to circumvent the Group's remuneration policies and practices.

Section 4 Identification of Material Risk Takers (MRTs)

The Directives set out which roles must be subject to the remuneration structure rules. UCITS and AIF MRTs are staff whose professional activities are deemed to have a material impact on the risk profiles of the regulated Management Company or the regulated funds that it manages. The ESMA Guidelines provide more guidance on identifying MRTs under the UCITS Directive and AIFMD. This section sets out how Schroders has applied those rules.

Identification of UCITS and AIF MRTs

The following roles are identified by Schroders as MRTs under the UCITS Directive and/or AIFMD:

- Senior Management
- Schroders plc Directors and GMC members
- Other senior management of the regulated entities, including Management and Supervisory (where applicable) board members, fund board members and other roles with local regulatory accountability ('SMF holders' for UK-regulated firms and 'Conducting Officers' for SIM Europe)
- Control functions
- Individuals within control functions (Risk & Compliance and Internal Audit) who have oversight responsibility for the Group or the Management Company, including (where applicable) members of investment risk committees
- Risk takers
- Individuals responsible for heading the investment management, administration, marketing and human resources functions
- Other risk takers, whose professional activities can exert material influence on the Management Company's risk profile or on a regulated fund it manages, including lead Fund Manager(s) for each regulated fund (or Investment Committee members in certain business areas), Product Managers for each regulated fund, Regional Heads of Client Group, Group Chief Technology Officer and Group General Counsel
- Other employees of the Management Company receiving total remuneration that falls within the remuneration bracket of senior management and risk takers, applying judgement as to whether the role of any of these employees has a material impact on the Management Company's risk profile or the regulated funds that it manages

For Human Resources and Marketing, the firm-wide heads of those functions are included where the roles that support the regulated entity in those functions are less senior and more administrative in nature, e.g. without responsibility for determining policies and providing oversight, and therefore are not the appropriate roles to include as MRTs and/or where there are no employees with specific responsibility for those functions within the regulated entity.

In addition to the above, the MRT identification process includes an individual risk-impact assessment framework through which we consider the risk categories that are most relevant to the Management Company or the regulated funds and identify who is responsible for each risk category, focusing on accountability in respect of the Management Company and funds.

The Remuneration Committee oversees the identification of MRTs for each Management Company, as well as the level and structure of their remuneration.