



Resolution Capital Limited
UCITS Remuneration Policy

Document Control

a. Version Control / Revision History

This document has been through the following revisions:

Version	Date of Approval	Remarks / Key changes / Reason for Update
1	December 2016	Initial Version
1.1	November 2017	Annual review
1.2	January 2018	Annual Review
1.3	February 2019	Annual Review
1.4	March 2020	Annual Review
1.5	March 2021	Annual review – addition of sustainability risks

b. Authorisation

This document requires the following approvals:

Authorisation	Name
Initial version	Board
Revisions	Board

Contents

Contents	3
1. Executive Summary	4
2. Identified Staff	4
3. Type of remuneration that is subject to the ESMA Guidelines	4
4. Remuneration Policy	5
4.1 General.....	5
4.2 Disapplication of certain provisions of the ESMA Guidelines (Proportionality).....	6
5. Internal Governance Arrangements	6
5.1 Application and Deviation of the Remuneration Policy	6
5.2 Review.....	7
5.3 Circumstances where Action is required.....	7
6. Disclosure	7
Appendix 1	8

1. Executive Summary

This remuneration policy applies to all employees of Resolution Capital Limited (the '**Company**' or '**ResCap**') that are engaged in the provision of investment management services or other ancillary services to an Undertaking for Collective Investment in Transferable Securities ('**UCITS**'). The board of the Company ('the Board') has adopted this Remuneration Policy in accordance with the provisions under the:

- European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations, 2011 as amended by the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings For Collect Investment in Transferable Securities Regulations 2015 as amended, supplemented or consolidated from time to time (the **UCITS Regulations**); and
- the Guidelines on sound remuneration policies under the UCITS Directive (the **ESMA Guidelines**).

The Company has been approved by the Central Bank of Ireland (the **Central Bank**) to act as an investment manager (the **Investment Manager**). These provisions apply to the Company as an appointed Investment Manager delegated to perform portfolio management or risk management activities for the relevant UCITS funds (including any sub-funds thereof) (the **UCITS Funds**) by their respective management companies (the **Management Company**).

2. Identified Staff

The Company is required to have remuneration policies and practices for those categories of staff (the **Identified Staff**), including senior management, risk takers and control functions whose professional activities have a material impact on the risk profile of the UCITS Funds. A list of the Identified Staff covered by this policy is attached as Appendix 1 hereto.

3. Type of remuneration that is subject to the ESMA Guidelines

Under the UCITS Regulations, remuneration consists of all forms of payments or benefits paid by the Company in exchange for professional services rendered by Identified Staff, including:

- any amount paid by any of the UCITS Funds, including:
 - fixed remuneration (payments or benefits without reference to performance);
 - variable remuneration (additional payments dependent on performance or other contractual criteria as described in this policy);
- any transfer of units or shares of the UCITS Fund, and
- other compensation for services, including forgivable loans, pension contributions and non-monetary payments.

Ancillary payments or benefits that are part of a general, non-discretionary, company-wide policy of the Company and pose no incentive effects in terms of risk assumption are excluded from this policy.

4. Remuneration Policy

4.1 General

The Company's policy is to pay all Identified Staff a fixed component representing a sufficiently high proportion of the total remuneration of the individual to allow the Company to operate a fully flexible policy, with the possibility of not paying any variable component.

Where the Company pays its Identified Staff performance related pay in relation to the UCITS Fund, the following requirements will be applied:

- (a) where remuneration is performance related, the total amount of remuneration is based on a combination of the assessment of the performance of the individual and the global strategy which mirrors the strategy of the relevant UCITS Fund. When assessing individual performance, financial as well as non-financial criteria are taken into account;
- (b) the assessment of performance is set in a multi-year framework appropriate to the life-cycle of the relevant UCITS Fund in order to ensure that the assessment process is based on longer term performance;
- (c) the Company does not pay guaranteed variable remuneration;
- (d) payments related to the early termination of a contract reflect performance achieved over time and are designed in a way that does not reward failure;
- (e) the Company's pension policy is in line with the business strategy, objectives, values and long-term interests of the Company and the relevant UCITS Fund. No discretionary pension benefits are paid;
- (f) staff are required to undertake not to use personal hedging strategies or remuneration - and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements; and
- (g) variable remuneration is not paid through vehicles or methods that facilitate the avoidance of the requirements of the Regulations.

The various remuneration components are combined to ensure an appropriate and balanced remuneration package that reflects the employee's rank and professional activity as well as best market practice.

Management and Oversight of Sustainability Risks

Under Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "SFDR"), the Company is required to include in its remuneration policy information on the integration of sustainability risks and how the remuneration structure is consistent with the integration of sustainability risks. In accordance with SFDR, the Company has adopted its Responsible Investment Policy which sets out the Company's policy with regard to the integration of sustainability risks in the Company's decision-making process.

The Portfolio Managers manage the UCITS Fund to ensure sustainability risks are managed as promoted on an ongoing basis. This ensures that the Company's Remuneration Policy promotes sound and effective risk management, taking into account the long-term interests and strategy of the Company and the risks presented to it (including, for example, sustainability risks).

4.2 Disapplication of certain provisions of the ESMA Guidelines (Proportionality)

Taking into account the current size, nature and the scope of the Company's activities and operations, the Board in its opinion considers this policy to be appropriate and has disappplied the following elements of the ESMA Guidelines in relation to the following:

- The **Pay-out Process Rules**:
 - variable remuneration in units of the UCITS Funds;
 - retention;
 - deferral;
 - ex post incorporation of risk for variable remuneration (clawback); and
- the requirement to establish a remuneration committee.

The Board is satisfied that proportionality may be applied given that the Company's exposure to the UCITS framework is small and the Company is established as a private, limited company. The Company's activities in regard to the UCITS Funds are limited to the investment management, distribution and marketing of the UCITS Funds as appointed and delegated by the respective Management Company.

The Board is satisfied that:

- the Company complies with the Regulations and the ESMA Guidelines in a way and to the extent that is appropriate to its size, internal organisation and the nature, scope and complexity of its activities; and
- the disapplication of the above requirements is appropriate with the risk profile, risk appetite and the strategy of the UCITS Funds.

5. Internal Governance Arrangements

5.1 Application and Deviation of the Remuneration Policy

This policy is designed to ensure that Identified Staff, who are in a position to exercise control functions within the Company (**Control Functions**) are compensated in accordance with the achievement of the objective linked to their functions.

This remuneration policy has been approved by the Board taking into account that the policy:

- is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of the UCITS Funds; and
- is in line with the business strategy, objective, values and interest of the UCITS Funds that it manages, and of the investors in such UCITS Funds, and includes measures to avoid conflicts of interests.

Any amendments to this policy will be subject to the prior approval of the Board. The Board may deviate from this policy in individual cases if justified by extraordinary circumstances. The Board shall carefully consider and monitor the effects of any such deviation.

5.2 Review

This remuneration policy (together with compliance herewith) will be subject to an annual review by the Board. Given the limited nature, scale and complexity of the Company's activities with UCITS Funds, its remuneration policy will not be subject to an external, independent review.

Pinnacle Legal, Risk & Compliance and ResCap's Head of Operations monitors compliance with the remuneration policy on an ongoing basis and ensures it is in compliance with current regulations, principles and standards applicable to the Company. Pinnacle Legal, Risk & Compliance will assess whether the policy is operating as intended and is compliant with the Regulations. Any recommended adjustments to the remuneration policy will also be submitted for consideration by Pinnacle Legal, Risk & Compliance to the ResCap Board, with any changes provided to the Management Company. Pinnacle Legal, Risk & Compliance and the Board will take appropriate measures to address any deficiencies identified in the remuneration policy. Ultimately the Board are responsible for overseeing the central and independent internal review of the implementation of the remuneration policies and practices.

5.3 Circumstances where Action is required

If, following an annual or other review of the levels of adherence to the Company's remuneration policy, it transpires that the Company is not fully compliant with the principles set out therein, corrective action may be required. Such corrective action may include possible revision of the level of remuneration payable to the Identified Staff concerned.

If a review of Company's remuneration policy identifies any non-compliance with the ESMA Guidelines or the Regulations, a re-statement of the remuneration policy may be the appropriate course of action. Any such re-statement will be subject to the prior approval of the the Board.

6. Disclosure

The Company will comply with the disclosure requirements set out in the Regulations. Various factors will be considered including the percentage the UCITS Fund represents of the overall strategy the Identified Staff manages, and any industry guidance or advice provided by the Management Company or the auditors. If disclosure is required, the total amount of remuneration for the financial year, split into fixed and variable remuneration, paid by the Company to its Identified Staff will be disclosed in the annual report as required, as must the aggregate amount of remuneration broken down by senior management whose actions have a material impact on the risk profile of the relevant UCITS Funds.

Appendix 1

Identified Staff

Andrew Parsons, Global Portfolio Manager

Marco Colantonio, Global Portfolio Manager

Robert Promisel, Global Portfolio Manager

Julian Campbell-Wood, Global Portfolio Manager