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for the communities that count on us all

Remuneration Policy

Effective date:	25 September 2024
Department:	HR
Owner:	Chief Executive Officer / HR Director
Approver:	Board

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1. Background

1.1 This Remuneration Policy (the “policy”) is designed to document the remuneration policies and practices of London LGPS CIV Limited (the "**Company**") and to ensure that the Company complies with the following FCA remuneration requirements (the “Remuneration Requirements”):

- SYSC 19B Alternative Investment Fund Managers Remuneration Code (see Section 5) – applies to Remuneration Code Staff only.
- SYSC 19G MIFIDPRU Remuneration Code (SNI firm) – applies to all staff.
- MIFIDPRU 8.6 Disclosure of remuneration policies and practices – applies to all staff.

2. Responsibility and Review

2.1 Responsibility for setting, oversight and supervision of the policy lies with the Board of the Company (the "Board") which has delegated some functions and responsibilities to the Remuneration and Nomination Committee (“RemNomCo”) and the Human Resources Director.

2.2 No amendment to or exception from this policy may be made without the approval of the Board.

2.3 The policy is reviewed annually by the Human Resources Director and the RemNomCo. The RemNomCo is responsible for recommending and overseeing effective implementation of the policy in accordance with the Committee's Terms of Reference. The RemNomCo will report on that review to the Board, to assess whether it:

- (a) operates as intended and
- (b) remains compliant with the Remuneration Requirements.

2.4 No Director or employee shall be involved in any decisions as to their own remuneration. To avoid any conflicts of interest the following practices exist:

- The Board shall determine the remuneration of the non-executive directors, taking advice from the Chairperson of the Shareholder Committee.
- RemNomCo shall determine the remuneration of the Chairperson of the Board.
- A RemNomCo “senior pay panel” determines the senior pay policy and the pay of the employees covered by the senior pay policy. The senior pay policy is reviewed on an annual basis and covers the remuneration of the Chief Executive Officer, Executive Directors, Company Secretary, Human Resources Director and all other Executive Committee members.
- All other employees i.e. who are not considered senior staff, are determined and approved by CEO in consultation with the Human Resources Director and the relevant ExCo member.

2.5 The policy may also be subject to periodic monitoring by the Compliance team.

2.6 Should the Board disagree with the recommendations of RemNomCo they shall seek further discussion. A similar provision shall apply in the case of any recommendations by the CEO to RemNomCo.

3. Remuneration Principles and Practices

3.1 The policy applies to all employees of the Company as well as non-executive directors and the Chairperson of the Board.

3.2 The Company is committed to ensuring that this policy and its practices promote equality of opportunity. The policy practices are gender neutral and do not discriminate on the basis of any protected characteristics of an individual, in accordance with the Equality Act 2010.

3.3 The policy is designed to support the attraction and retention of employees who have the key skills, behaviours and values to enable the Company to deliver high quality services to the Partner Funds and ultimately achieve its long-term strategic objectives. With the steer of the Board, the policy has regard for the views of the shareholders of the Company.

3.4 The policy and its practices are aligned with the Company's risk appetite and its Partner Funds, and designed to promote sound and effective risk management.

Remuneration elements for employees

Base Salary	Base salaries are set considering the individual's skills, scope of their role as set out in their job description, and the market rate for the role at comparator companies. This remuneration is fixed, non-discretionary, non-revocable and not dependent on performance.
Benefits	Benefits provided include DC pension contributions (or cash allowance equivalent) and certain insurance benefits such as life insurance and private medical insurance.

3.5 In exceptional circumstances, where an employee has stepped up to cover a more senior role or broadened their responsibilities to provide resourcing cover, a one-off recognition award payment for an employee may be sought. In such circumstances the criteria of such payment shall be clearly distinct from the criteria that determines fixed remuneration (base salary) and will go through the appropriate governance approvals prior to payment being made.

3.6 The CARCO Chair (based on input from the Chief Risk Officer), CEO and the HR Director will consider whether risk adjustments should be made to reflect the employee(s) behaviour/attitude to risk prior to any base salary increase or recognition award payment being communicated or paid.

3.7 All remuneration payments are made in line with UK tax rules. All payments are made directly into UK bank accounts.

3.8 All employee base salaries are reviewed on an annual basis and go through the appropriate governance approvals prior to payment being made.

Targeted salary increases

3.9 The CEO has delegated authority to make targeted salary increases within a control framework agreed by RemNomCo.

3.10 The CEO may exercise discretion to agree targeted salary increases on the advice of the Human Resources Director and other Executive Directors in the following circumstances:

- where there is a change in duties and responsibilities;
- where it is necessary for business reasons to reflect market conditions in accordance with benchmarked salaries; and/or
- to attract new hires.

3.11 Where salary adjustments are proposed, due consideration will be given to potential and perceived fairness, discrimination and equal pay considerations.

3.12 All targeted salary increases must be informed by recognised market pay data and be within the approved Company budget.

3.13 A report will be provided to the Chairperson of RemNomCo prior to payments being communicated and made to the respective employees. This report will include the context of the targeted increase(s); relevant data analysis and a view on potential and perceived fairness, discrimination and equal pay considerations.

Severance Payments

3.14 Where any severance payment shall occur, these shall be made in line with employees' legal entitlements but will also align with the policy such that there is no breach of regulatory rules.

4. Code Staff

4.1 Employees meeting one of the following two conditions shall be considered 'code staff':

- Employees or individuals who are likely to have a material impact on the risk profile of the Company (the "material risk takers"); or
- Employees where their total annual remuneration is similar or equivalent to those employees identified as material risk takers.

4.2 All code staff employees are informed by the Company of this FCA identification.

- 4.3 The roles, and the employees, who are identified as code staff and/or material risk takers are reviewed on an annual basis by the Human Resource Director and the Compliance team. Where new roles are created, there shall be an initial assessment, prior to the appointment of an employee, to assess the material impact of the respective role. Any change or proposed change will be approved by the Chief Executive Officer and documented on the FCA register.
- 4.4 Pay-out Process rules do not apply to the Company because variable remuneration for each code staff is no more than 33% of their total remuneration (because variable compensation is not paid at the Company); and no employee's total remuneration is more than £500,000.

5. Data Protection and disclosure

- 5.1 Details of any remuneration may be shared with the FCA. In addition, the Company's annual report contains certain FCA regulatory and other required disclosures relating to remuneration of Code Staff.
- 5.2 This policy is published on the Company's website.

6. Version Control

Version	Date	Reason for Change / Approver	Status	Author
0.1	15/12/2015	First draft	Draft	Lorraine Hendrickson
0.2	04/01/2016	Proposed revisions to first draft	Draft	Hugh Grover
0.3	26/01/2016	Review/revise	Draft	Brian Lee
0.4	25/07/2016	Proposed revisions to second draft	Draft	Hugh Grover
0.5	07/10/2016	Take in revisions from Eversheds	Draft	Hugh Grover
0.6	13/10/2016	Take in revision required by the RemCo	Draft	Hugh Grover
0.7	28/2/2018	RemCo confirmed that the changes had been made	Final	Tony Lambert
0.8	12/09/2019	Revised following the remuneration policy review	Draft	Tony Lambert in consultation with the Company Secretary
2.0	02/10/2019	Using new numbering system. Approved by Board	Final	Tony Lambert in consultation with the Company Secretary
2.1	Sept/Oct 2020	Approved by Board	Final	Tony Lambert/Kristina Ingate
2.2	Oct 2021	Annotated with summary to show changes to section 5 to recognise SMCR requirements in respect of certified staff	Draft	Kristina Ingate
2.3	Feb 2022	Minor revision to section 5 with complete text instead of summary to include certain certified staff (material risk takers) in definition of Code staff Approved by RemCo Chair and Board Chair	Final	Kristina Ingate in consultation with Compliance (Joao F) and HR Manager (Sam Furlano)
2.4	Oct 2022	Revisions to Schedule A to show changes to the Total Reward Framework approved by RemNomCo on 13 October 2022		Kristina Ingate, Director for Governance and Sam Furlano HR Director approved by RemNomCo Chair and Board agreement confirmed by Chair of the Board
2.5	June/Sept 2023	Review in parallel with review to ToR		Sam Furlano HR Director and Kristina Ingate Director for Governance approved by RemCom and the

				Board 28 Sept 2023. See minute.
2.6	25 September 2024	MiFID update Wider review to check aligned with RemNomCo TOR; ensuring all preventions of conflict of interest processes are noted; removing duplications and streamlining content where appropriate.		Victoria Davies, Interim Head of HR, Joao Ferrara, Head of Compliance and Kristina Ingate Director of Governance