

CONNING ASSET MANAGEMENT LIMITED - REMUNERATION DISCLOSURE

1. Background & Scope of Directive Requirements

Conning Asset Management Limited ("CAML") is an Investment Manager, Authorised and regulated by the Financial Conduct Authority (FCA) in the United Kingdom. As such CAML (and the remuneration policy employed by CAML) is subject to the rules and requirements of the FCA's Prudential Sourcebook for MIFID Investment Firms ("MIFIDPRU"). For the purposes of MIFIDPRU CAML has been classified as a non-small non-interconnected investment firm ("Non-SNI"). CAML has produced this public disclosure to comply with the requirements of MIFIDPRU 8.

CAML is a wholly-owned subsidiary of Conning Holdings Limited. CAML offers asset management services to Professional Clients in both equity and fixed income strategies. For the year 2024 CAML assessed its requirement to prudentially consolidate under MIFIDPRU2. It identified Conning Holdings Limited as the UK Parent Investment Holding Company and that a UK Investment Firm Group is formed of itself and Conning Inc, Conning Investment Products Inc, Goodwin Capital Advisers Inc, Octagon Credit Investors LLC, Global Evolution Financial ApS and Conning Asia Pacific Limited. The remuneration policy of each company is applied at an individual firm level.

This disclosure has been approved by CAML's board. CAML's audited accounts set out further information which complements the information in this disclosure. The accounts are freely available from Companies House.

This document does not constitute any form of financial statement on behalf of CAML and has not been audited by CAML's auditors.

2. Objective

This disclosure is made annually in conjunction with the audited financial statements, to inform investors as to how staff at CAML are remunerated.

3. Remuneration Disclosure

As a non-SNI firm the disclosure is required to contain information related to CAML's:

- governance arrangements; and
- remuneration policy and practices

1. Governance arrangements

The CAML Board appointed a Remuneration Committee (RemCo) in 2010. The RemCo ensures that the remuneration policies of the firm are developed, approved and reviewed in accordance with the Board's strategic objectives, promote sound and effective risk management, and do not exceed the firm's levels of tolerated risk.

There are five members of the RemCo: two CAML Board Directors, one Executive and one Non-executive, the UK Compliance Officer, the COO and the Vice President from Human Resources. Three members of the RemCo are not beneficiaries of the remuneration schemes, one of whom is the Chair. The Non-executive Director, the COO and the Compliance Officer are based in the UK and the other two are based in Conning's offices in Hartford USA. This provides two levels of control and oversight of remuneration activities.

As a fiduciary asset manager, CAML acts at all times in the best interests of clients to protect and enhance the economic value of the investments we manage on their behalf. Good corporate governance within the Conning Group is founded upon sound governance and risk policies which protect and enhance the return to the investor. CAML's remuneration policies have been implemented to include these values and are based on both qualitative and quantitative results of the firm and the individuals meeting their own goals and objectives set out in the annual review process.

CAML's investment decisions are based on CAML's own research and analysis, which focuses on long-term value generation and not short-term investment performance. Investment team and senior management's remuneration is primarily based on firm-wide financial results, client performance and client service. Bonus pools are allocated at the department and business unit level, based on their respective contribution to Conning's results compared to planned goals.

2. Remuneration Policy and practices

CAML pays fixed remuneration and, depending on the role, may also pay variable compensation and/or bonuses to each staff member as set out below.

Fixed Remuneration

Compensation ranges are determined at a job function level, with individual compensation set in line with competitive industry levels, and within a range based on measurable factors including, but not limited to, years of experience, management responsibilities, and certifications held/required. The Company contracts with a third-party consultant to review pay equity on the basis of gender, age, and where data is available, by race and ethnicity. The review is conducted periodically (every 2-3 years) and remediation actions, if any required, are made following discussions with our consultants. To date, there have been no systemic, pay-equity issues found in our compensation philosophy, process and underlying programs.

Variable Compensation and/or bonuses

Each year, the Board of Directors of CHL and CAML develop and agree annual metrics and goals for CAML. At the end of the calendar year, a bonus pool may be created at both Group and business unit/departmental level based partially on formulaic and partially on qualitative factors and is tied to firm-wide results (see above).

CAML has two variable remuneration schemes, the Discretionary Bonus Scheme and the Long-Term Incentive Plan (LTIP). The Discretionary Bonus Scheme applies to all employees and the LTIP has a proxy equity investment scheme in the form of Restricted Share Units ("RSU").

Scheme 1 Discretionary Bonus

In order to provide incentive to employees to achieve key business objectives and as a reward for individual performance, CAML may pay an annual discretionary bonus.

Each year, the Boards of Directors of Conning Holdings Limited ("CHL") and the Company develops and agrees annual metrics and goals for the Company. At the end of each calendar year any bonus pool is created tied to firm-wide results.

An individual employee's bonus, if any, is based on their performance against the individual's established goals as determined in the annual review process. Both quantitative results and qualitative objectives are taken into consideration. Bonuses are entirely discretionary and a bonus of zero may be awarded.

Bonus amounts payable may be subject to deferral where the payable amount exceeds USD 100,000. The deferred percentage of the bonus increases as the amount payable in the form of bonus increases above USD 100,000, and is generally deferred for periods up to 4 years.

Scheme 2 Proxy Equity Investment Scheme

The LTIP includes a restricted share units scheme; RSUs may be awarded to CAML employees.

The value of an RSU award payout is based on the fair market value of an ordinary share of Generali Investments Holding s.p.a ("GIH") and is determined by an independent appraiser appointed by the board of directors of GIH.

Awards are subject to vesting provisions determined at the time of the award and awards are generally payable only to employees who continue to be employed by the company at the time the award is payable. The schemes accordingly seek to align the interests of the individual with the long-term interests of the company.

Bonus considerations

In deciding each individual's total compensation due regard is taken of an appropriate balance between fixed and variable remuneration. An individual employee's bonus, if any, is based on their performance against the individual's established goals as determined in the annual review process. Both quantitative results and qualitative objectives are taken into consideration. Bonuses are entirely discretionary. A bonus of zero may be awarded.

All employees are subject to a ratio (in the form of a range or a band) between the fixed compensation and variable compensation which may be awarded. The ratios differ depending on the role performed (e.g. portfolio managers have a different ratio to the CEO).

Guaranteed bonuses

Bonuses are generally discretionary. Guaranteed bonus awards may be provided at initial employment of an individual in exceptional cases only and must be limited to 1 year (no multi-year guarantees). As a result, as part of an offer approval process all guaranteed bonus awards require careful written justification as to their exceptional nature. CAML ensures that the guaranteed compensation of a new joiner is not more generous in either its terms or amount than that which was awarded or offered by the existing employer. In practice guarantee offers must not represent a significant increase on the existing or expected compensation level at the existing employer, assuming a similar role and level of responsibility.

Variable compensation is payable only if it is sustainable according to CAML's financial condition. While not exercised for the year 2024, the CHL board and the CAML board have the ability to apply malus/ clawback to reduce the value of all or part of the deferred variable remuneration before it has vested where there is subdued negative performance.

Awarded Remuneration in 2024

Senior Management	Fixed remuneration	£618,300
	Variable remuneration	£1,142,880
	Total amount	£1,761,180
Other Material Risk Takers ("MRTs")	Fixed remuneration	£493,750
	Variable remuneration	£418,700
	Total amount	£912,450
Non-MRTs	Fixed remuneration	£1,406,291
	Variable remuneration	£550,904
	Total amount	£1,957,195

No guaranteed variable remuneration was awarded to an MRT during the year.

CAML identifies its MRTs by the role they are undertaking and if that role meets the criteria listed in SYSC 19G.5.3 R. For the performance year 2024 CAML identified 8 staff who met the definition of MRT.