



# IFPR: MIFIDPRU annual disclosures

## Columbia Threadneedle Management Limited

For the year ended 31st December 2022

# Introduction

## Purpose and Background

### **Purpose**

This document sets out Columbia Threadneedle Management Limited's ("CTML") public disclosures in relation to Risk Management, Governance Arrangements, Own Funds and Own Funds Requirements as required under MIFIDPRU as at 31 December 2022.

### **Background**

The Investment Firms Prudential Regime (IFPR) came into effect on the 1st January 2022 as a new regime for UK firms authorised under the Markets in Financial Instruments Directive (MiFID). The IFPR was implemented by the FCA as prudential regulation within "MIFIDPRU", which seeks to address the potential harm posed by investment firms to their clients and the markets they operate in. MIFIDPRU disclosure requirements improve transparency for market participants into how firms are run.

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# Basis of Disclosures

## Scope and Application of disclosures

The disclosures in this document relate to Columbia Threadneedle Management Limited. CTML is a non-SNI MIFIDPRU Investment firm, incorporated in England and authorised by the FCA. CTML is part of the Columbia Threadneedle Investments UK International Limited Group (the “Group”). The Group forms part of the broader Columbia Threadneedle Investments, which is the global brand name of the Columbia and Threadneedle group of companies, which form the asset management segment of Ameriprise Financial, Inc.

CTML is required to disclose on an individual entity basis and these disclosures have been prepared in line with the requirements described in MIFIDPRU 8, taking account of the FCA’s transitional provisions for disclosure requirements contained in MIFIDPRU TP12, which limit requirements to Risk Management, Governance, Own Funds and Own Funds Requirements. CTML is not required to disclose Investment policy.

These disclosures are published on at least an annual basis in line with the annual publication of CTML’s audited financial statements, with reference point 31<sup>st</sup> December 2022. Revised disclosures will be published should significant changes occur to CTML’s business model. None of the disclosures have been audited and they have been produced solely for the purposes of satisfying the MIFIDPRU requirements.

These disclosures are published on the Columbia Threadneedle Investments website:

[Disclosures | Columbia Threadneedle Investments](#)

# Risk management objectives and policies

Our service offering is built on a strong control environment, dependable processes and an effective framework to manage the risks we face. Good Governance and management control is fundamental to the success of our operations, supporting prudent and measured risk-taking, while striking a balance between risk and return.

## **Risk-taking and risk management activities are guided by our Risk Principles:**

- management of risk is a responsibility at all levels of the organisation;
- material risks to which the enterprise is exposed must be identified, measured, managed, monitored and reported;
- risk identification and measurement will include both qualitative and quantitative elements. This includes views of risk relative to the external operating environment and stress testing and scenario analysis;
- decision-making is based on a clear understanding of risk, supported by robust management information and analysis.

Our risks are typical to those of investment managers and primarily fall under the categories of financial risk, operational/business risk and strategic risk. It is important to note that all risks are monitored and managed as part of a governance and risk management framework which is consistently applied across all firms within the Group. The governance of the Company is implemented and overseen by the Board of Columbia Threadneedle Asset Management (Holdings) plc (CTAMH plc), a direct subsidiary of Columbia Threadneedle Investments UK International Limited, the parent company of the Group. CTML's risk management objectives and policies for the categories of risk addressed by MIFIDPRU 4, 5 and 6 are described in the following pages.

## Risk management roles and responsibilities within CTML

Timely and transparent information sharing is key to how we engage stakeholders in material decisions and strategy discussions, thereby bringing rigour and discipline to decision making. This leads to the timely identification, escalation, and resolution of issues. It also encourages open communication, independent challenge and a clear understanding of the key risks faced by our organisation. Thus, ensuring that our employees are equipped and empowered to make decisions and take action in a coordinated and consistent manner, supported by a strong monitoring and control framework. The head of our operational risk management function is an independent senior manager. They or an alternate present to the CTAM(H) Board and the Risk and Remuneration Committee, with direct channels of communication to the Independent Non-Executive Directors to escalate any material risk issues. Risk functions also chair or are members of the risk Committees which manage investment and credit risk within the ICARA Group and also attend each monthly Executive Committee (ExCom) to present and ensure all pertinent risk issues are discussed.

The ExCom is responsible for the day-to-day management of the Group in line with the strategies, business plans, budgets and other initiatives delegated by legal entities and assigned Boards. The ExCom implements the overall strategy through a series of Committees focused on the day-to-day management of the Group's activities. It also approves the mandate of each delegated Committee which include Counterparty Credit, Performance Review and Risk Oversight, Product Oversight, Valuation and Pricing, Dealing Oversight and Investment Committees. The ExCom has responsibility for risk oversight from an enterprise perspective and receives reporting relating to relevant risk matters at each meeting including risk events, risk issues and any escalations from other risk committees. The ExCom also receives regular reporting from the finance function regarding capital and liquidity.

## Risk Appetite

Put simply, risk appetite is the level of risk we are prepared to accept in pursuit of our objectives. In doing so, we will aim to minimise the harms that we may cause our clients, the market and our firm as a result of our business model and the inherent risks arising from our activities.

The Group maintain a cautious approach to risk to ensure that it remains sufficiently liquid and capitalised. While our primary strategic objective is to meet clients' objectives, our approach is measured to ensure best possible performance while remaining within our defined risk appetite.

### The Risk Appetite Statement:

- reflects the strategic direction of the Group;
- is aligned to the key risks faced by the Group;
- details / defines both qualitatively and quantitatively the amount of risk that the Group is willing to accept when carrying out its business and in the pursuit of its business objectives;
- is supported by maximum risk tolerance levels by risk category and appropriate risk measures and limits.

Where any risk is assessed to be in excess of the Board's risk appetite, either a specific risk management action plan is put in place and subject to review by the Board or the Board may choose to continue to monitor or change its tolerance for the risk.

The Board, ExCom and Enterprise risk teams from our parent provide feedback on both the effectiveness of the risk management framework and also our performance against enterprise standards.

## MIFIDPRU 4 – Own funds requirements; Risks to Clients, the Firm and the wider Market

The own funds requirements in MIFIDPRU 4 require CTML to hold a minimum amount of own funds to address potential material harms arising from MiFID activities and to minimise the potential material harms arising from a wind-down. CTML's own funds requirement is driven by its Fixed Overhead Requirement as at 31.12.2022. The table below summarises our risk profile and the potential for harms arising from our business strategy to either our clients, the wider market or the firm itself. High level descriptions of the processes and controls in place to mitigate and manage those harms to an acceptable level are also included. These help us manage our risks in line with our Group Risk Appetite Statement:

*We will aim to minimise the harms that we may cause our clients, the market and our firm as a result of our business model and the inherent risks arising from our activities.*

Risks	Harms	Risk management and reduction of harms
<b>Strategic</b> Loss of Key Clients, Strategy Execution, Investment Performance, Change, Geopolitical	Firm, Client	Diversification and relationship management. Strategic planning, change, governance, approval and oversight processes. Independent monitoring teams.
<b>Financial</b> Liquidity, Credit, Market and Pension scheme	Firm, Client	Liquidity management policies and contingency arrangements. Market data, diversification and independent monitoring. Specialist advice.
<b>Operational</b> Processing Errors, Fraud, Regulatory, Legal, Human Resources, Information Technology, Resilience, Third Party Dependency.	Firm, Client, Market	Timely management information and escalation, training and monitoring. Mandate compliance monitoring. Verification processes, user access controls, segregation of duties and authority limits. Contractual agreements. Enterprise policies and protocols. Specialist support teams and external resources. Business's impact analysis, recovery plans and disaster recovery testing. Vendor oversight and risk assessment.



# Risk management objectives and policies

## **MIFIDPRU 5 – Concentration risk**

CTML does not operate a trading book or deal on own account and therefore it has no concentration risk exposures as defined in MIFIDPRU 5.3 to 5.10. However, CTML is exposed to concentration risk relating to fee revenues associated with key clients and when CTML's own cash is held on deposit with banks. Diversifying our client base further through winning new business, together with our client relationship functions who work to ensure we continue to meet clients' objectives and provide them the level of service they require helps to mitigate concentration risk and the potential financial harm it can cause the firm. Any deposit concentration risk is managed in accordance with diversification and counterparty limits in order to reduce the financial harm it could cause the firm.

Concentration risk is considered within the ICARA process in stress tests and capital planning scenarios.

## **MIFIDPRU 6 – Liquidity risk**

Liquidity risk may arise as a result of CTML being required to pay its liabilities earlier than expected or because of any inability to realise assets in order to meet obligations as they fall due or only being able to realise assets by suffering financial loss. These potential financial harms to CTML and also any associated harms to clients (also including service providers and vendors) should payments be delayed, are mitigated through monitoring and management of liquidity in line with Group policy and by contingency funding arrangements.

Liquidity risk is also considered within the ICARA process through requirements, stress tests and indicators.

# Governance Arrangements

## Management Committee

The CTML Board is the management body responsible for defining, overseeing and implementing governance arrangements within CTML. The Board meet at least four times per calendar year.

The Board is responsible for supervising the effective and prudent management of the business and for ensuring CTML has a robust corporate governance structure with well-defined, transparent and consistent lines of accountability. This includes oversight of CTML's risk framework and internal controls. It also includes segregation of duties within the business and the identification and management of conflicts of interest.

The Board acts in the best interests of CTML and in a way to promote the integrity of the market and the interests of clients. The Board is directly accountable to the shareholder, but must also consider the interests of its customers, employees and other stakeholders.

The Board does rely on certain Group functions to manage, monitor and analyse key areas of responsibility, but gains sufficient information to discharge its duties. CTML does not have a separate Risk Committee, but the Board may delegate review and monitoring to other Committees established for specific purposes.

CTML, through the Board, adopts, as applicable, Ameriprise Corporate Policies. The Board may also rely on the advice, reports and opinions of consultants, counsel, accountants, auditors and other expert advisers.

# Governance Arrangements

## Directorships

CTML can confirm that no members of the Board currently hold any directorships which should be disclosed under the requirements of MIFIDPRU chapter 8. Furthermore, no modifications or waivers have been required to be granted by the FCA in order to allow any Board member to hold additional directorships.

## Diversity

The Board's diversity policy states that a Board made up of highly qualified members from diverse backgrounds who reflect the changing population demographics of the markets in which CTML operates, the talent available with the required expertise and CTML's evolving customer and employee base, promotes better corporate governance.

In reviewing its composition, the Board consider the benefits of having a broad range of views, experiences, skills, backgrounds and values represented. To support this, the Board will, when identifying candidates for appointment:

- consider only candidates who are highly qualified based on their experience, functional expertise, and personal skills and other qualities of directors;
- consider diversity criteria including gender, age, nationality, ethnicity and educational and professional background;
- where appropriate, in addition to its own search, engage qualified independent external advisors to conduct a search for candidates that meet the Board's skills and diversity criteria to help achieve its diversity aspirations

All appointments are made on merit, judged against a set of objective criteria with regard to the requirement for diversity on the Board.

# Governance Arrangements

## Diversity

CTML's approach and efforts to achieve diverse representation are based on promoting the Diversity and Inclusion ("D&I") framework in place across Columbia Threadneedle. This aims to foster a culture in which all employees feel safe, included, valued and respected. We embrace the unique contributions of everyone at Columbia Threadneedle and empower them to deliver value for our diverse clients and community.

The primary objective is to change the profile of our employee base over time to better reflect our client base and the broader population by increasing the percentage of women, black, ethnic and all under-represented groups across every level of the organisation. Actions to achieve this centre upon:

- Recruitment -sourcing and recruiting diverse candidates
- Development and Leadership -evolve training and employee programs to be inclusive, respectful and supportive.
- Advocacy -proactively build reputation
- Governance and accountability -embed clear accountability for diversity and inclusion

Columbia Threadneedle's strategic approach is aligned with that of our parent company Ameriprise, sharing an organisation-wide approach and resources to advance diversity and inclusion to deliver strong business results.

## CTML's Own Funds

Own Funds have been calculated in accordance with the requirements set out in MIFIDPRU 3. Profits are only included within retained earnings once they have been verified by an independent auditor.

The following tables below, in compliance with MIFIDPRU disclosure requirements, disclose:

- 1) the composition of CTML's own funds
- 2) a reconciliation of own funds to the capital in the balance sheet per the audited financial statements of the firm, followed by
- 3) a description of the main features of the CET1 capital issued by the firm.

The tables are based on CTML's Report and Financial Statements as at 31 December 2022.

Table 1 –Composition of regulatory own funds

	Item	Amount (GBP thousands)	Source*
1	<b>OWN FUNDS</b>	<b>48,349</b>	
2	<b>TIER 1 CAPITAL</b>	<b>48,349</b>	
3	<b>COMMON EQUITY TIER 1 CAPITAL</b>	<b>48,349</b>	
4	Fully paid up capital instruments	32,332	Note 24
5	Share premium	42,197	Note 25
6	Retained earnings	(100,758)	Note 25
7	Accumulated other comprehensive income		
8	Other reserves	(80,736)	Note 25
9	Adjustments to CET1 due to prudential filters		
10	Other funds		
11	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	(6,158)	
19	CET1: Other capital elements, deductions and adjustments	(6,158)	
20	<b>ADDITIONAL TIER 1 CAPITAL</b>	<b>0</b>	Note 16
21	Fully paid up, directly issued capital instruments		
22	Share premium		
23	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1		
24	Additional Tier 1: Other capital elements, deductions and adjustments		
25	<b>TIER 2 CAPITAL</b>	<b>0</b>	
26	Fully paid up, directly issued capital instruments		
27	Share premium		
28	(-) TOTAL DEDUCTIONS FROM TIER 2		
29	Tier 2: Other capital elements, deductions and adjustments		

\*Source based on reference numbers/letters of the balance sheet in the audited financial statements

## Table 2 –Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements

	Balance sheet as in published / audited financial statements	Under regulatory scope of consolidation	Cross reference to Table 1
	As at 31 December 2022		
<b>Assets - Breakdown by asset classes according to the balance sheet in the audited financial statements (GBP thousands)</b>			
1	Property, plant and equipment	37	
2	Investments in subsidiaries	50	
3	Deferred tax assets	6,158	Item 19
4	Other receivables falling due after more than one year	14,878	
5	Financial investments	107	
6	Accrued income	15,180	
7	Trade receivables	4,485	
8	Other receivables due within one year	15,546	
9	Prepayments	2,188	
10	Cash and cash equivalents	32,716	
	<b>Total Assets</b>	<b>91,345</b>	
<b>Liabilities - Breakdown by liability classes according to the balance sheet in the audited financial statements (GBP thousands)</b>			
1	Pension deficit	3,291	
2	Insurance contract liabilities	3,236	
3	Trade and other payables	26,516	
4	Interest-bearing loans and borrowings	3,795	
	<b>Total Liabilities</b>	<b>36,838</b>	
<b>Shareholders' Equity</b>			
1	Called up share capital	32,332	Item 4
2	Share premium account	42,197	Item 5
3	Capital redemption reserve	80,736	Item 8
4	Accumulated losses	(100,758)	Item 6
	<b>Total Shareholders' equity</b>	<b>54,507</b>	

## Table 3 –Own funds: main features of own instruments issued by CTML

Issuer	CTML
Public or private placement	Private
Instrument type	Ordinary Shares
Amount recognised in regulatory capital	£32,331,742
Nominal amount of instrument	£32,331,742
Issue price	£1
Accounting classification	Called up share capital
Existence of a dividend stopper	No

\*Source based on reference numbers/letters of the balance sheet in the audited financial statements



# Own funds requirements

CTML's own fund requirements, calculated in accordance with the requirements set out in MIFIDPRU 4, is the higher of:

- (a) permanent minimum capital requirement, which for CTML is £75,000;
- (b) total K-Factor requirement, which is the aggregate of activities-based capital requirements; and
- (c) the fixed overheads requirement, which amounts to 25% of its most recently audited annual expenditure less permitted deductions.

## Own fund requirements as at December 2022

	£'000
<b>Permanent minimum capital requirement</b>	<b>75</b>
Sum of K-AUM, K-CMH and K-ASA	6,929
Sum of K-COH and K-DTF	2,344
Sum of K-NPR, K-CMG, K-TCD and K-CON	0
<b>Total K-factor requirement</b>	<b>9,273</b>
<b>Fixed overhead requirement</b>	<b>24,028</b>
<b>Own funds requirement</b>	<b>24,028</b>

## Meeting the Overall financial adequacy rule (“OFAR”)

As prescribed by MIFIDPRU 7.4.7 Overall Financial Adequacy Rule (“OFAR”) a firm must, at all times, hold Own Funds and liquid assets which are adequate, both as to their amount and their quality, to ensure that:

- I. CTML is able to remain financially viable throughout the economic cycle, with the ability to address any material potential harm that may result from its ongoing activities; and
- II. CTML’s business can be wound down in an orderly manner, minimising harm to consumers or to other market participants.

The company prepares an ICARA annually or more frequently as required. The ICARA assesses whether the Group and its subsidiaries including CTREP hold adequate Own Funds required under MIFIDPRU 7.6.2R.

The ICARA ensures that the Group and its subsidiaries have appropriate systems and controls in place to identify, monitor and, where proportionate, reduce all potential material harms that may result from:

- A. ongoing operation of its business and
- B. winding down its business.

The Own Funds Threshold Requirement (‘OFTR’) and LATR in addition to Basic Liquid Asset Requirement is calculated as the higher of these two assessments as noted under A and B above and represents how much additional capital or liquid assets may be necessary to address any potential residual impacts to comply with the OFAR.

The Group performs independent assessment and employs other quantitative tools such as stress testing and scenario analysis for this purpose as part of the ICARA process. The Group’s allocation of Own Funds Requirement to CTML assesses the potential harms that are applicable to clients, the market and the firm through scenario-based assessment. Some examples of situations that may result in harms to clients include trading error, mandate breach, misselling, failure of an outsourced service provider/vendor. Other examples of harm to firm include loss of significant clients, failure in IT infrastructure, internal fraud. CTML is a non-SNI firm and is not considered to be large enough to cause systemic disruption to the market as a whole and is therefore unlikely to cause harm to the market. The Group ICARA report is updated and formally reviewed, challenged and approved by the Group’s Board on an annual basis, with key requirements and calculations as they relate to CTML, being reported to the CTML Board. The ICARA will be updated more frequently should fundamental changes to the business require it.

# Remuneration disclosures

## Decision making process for remuneration policy

The Risk and Remuneration Committee (“RRC”), on behalf of the CTAMH plc Board of Directors, is responsible for maintaining a compliant remuneration policy. We aim to deliver top-tier total shareholder return as we balance our commitments to our customers and employees, the environment and the communities where we live and work.

The Risk and Remuneration Committee met five times during 2022. The members of the Risk and Remuneration Committee are all independent.

## Role of the relevant stakeholders

The Risk and Remuneration Committee fully considers the Group’s strategic priorities in setting compensation policy and it is mindful of its duties to shareholders and other stakeholders.

The Risk and Remuneration Committee oversees the Group’s compensation plans, making sure they align pay with performance, operate within the Group’s risk appetite, help the Group achieve its goals and are in the best interest of shareholders, while not encouraging excessive or inappropriate risk-taking.

It also undertakes annual reviews of the implementation of their compensation policies to ensure that they comply with the FCA UK Remuneration Code.

## Code Staff Criteria

Columbia Threadneedle incorporates the FCA Remuneration Code (SYSC 19A) in its identification framework to identify Code Staff whose professional activities have a material impact on the risk profile of the firm. The criteria comprise the following categories:

- Senior management;
- Risk-takers;
- Staff engaged in control functions; and
- Any employee receiving total compensation that takes them into the same compensation bracket as senior management and risk-takers, whose professional activities have a material impact on the firm’s risk profile.

## Design and structure of compensation and link to performance for Code Staff

The Group’s approach to compensation is based on a “pay for performance” philosophy. The practices are designed to effectively balance the core compensation principles:

- Link compensation to Group performance: Remuneration design and implementation, as implemented by the Company, aligns with the Group’s strategic priorities and Purpose;
- Attract and retain talent: Compensation helps attract and retain talented people and motivates them to excel to achieve objectives;
- Align with prudent risk-taking: Compensation structures do not encourage excessive risk-taking and rewards appropriate use of capital. Senior management and material risk taking employees’ variable pay can be clawed back or forfeited and a significant portion is deferred;

- Encourage a long-term view to increase shareholder value: A significant portion of variable pay for senior management and material risk taking employees is allocated to long-term incentives, which are equity-based and deferred.

The alignment of compensation with risk is an important consideration in compensation plans. For this reason, mechanisms are included in compensation design to ensure risk is appropriately considered before incentive pools are finalised. These mechanisms include:

- Establishing the incentive pool based on performance against strategic objectives and annual financial goals which reflect provisions for credit, market liquidity and other risks;
- Depending on role and function, a significant portion of variable compensation is equity-based; and
- Having leadership, management bodies and professionals in human resources and finance review variable incentive pools throughout the year and before finalising them.

Direct compensation is a combination of fixed pay elements and performance-related pay elements (short- and long-term incentives). Performance-related pay is designed to reward the achievement of Group, line of business and individual performance targets while managing risk.

The Risk and Remuneration Committee conducts a year-end review of the individual performance and variable pay of the senior executives and control function leaders. This includes an assessment of any risk, compliance, conduct, audit and financial factors when determining whether to exercise its discretion to modify individual variable pay awards.

The Group also has established policies on the use of guaranteed bonuses and severance payments. Guaranteed bonuses are only offered during the recruitment process in exceptional circumstances. Severance payments are determined in accordance with local frameworks and reflect performance achieved over time and must not reward failure or misconduct.

## Investments Code Staff

Code Staff are eligible to participate in one of three incentive-based compensation plans, which have two components: 1) upfront compensation, and 2) deferred compensation. The proportion of incentive-based compensation deferred into equity is determined by a deferral grid; generally higher rates of deferral apply for higher levels of incentive. The minimum deferral level is based on the employee's total incentive compensation. Deferred awards are designed to promote a greater alignment of interest between employees and shareholders. The incentive plan funding is based on business performance and is subject to adjustments for Group performance, and risk management considerations.

Individual award allocations are based on achieving business and individual performance goals that are designed to reinforce the Group's strategic priorities and values, qualitative measures are used to assess how results were achieved and adherence to risk management (including in relation to environmental, social and governance risks), compliance requirements and to the Group's Code of Conduct. All Code Staff are eligible to participate in deferred compensation. Up to 60% of the total incentive award may be deferred over a period of three to five years based on the employee's level of total variable compensation. The deferred element is designed to promote a greater alignment of interest between employees and shareholders to risk over the medium to long-term.

## Control Functions

Compensation for Code Staff in control functions is tied to overall Group performance and performance against individual goals.

These employees have independent reporting lines from the businesses they support and the success or final performance of the business areas they support or monitor does not directly impact the assessment of their performance or compensation. This independence mitigates risk and encourages these employees to maintain their focus on the Group's overall success.

Code Staff in control functions are eligible to participate in an incentive-based compensation plan which has two components: 1) upfront compensation, and 2) deferred compensation.

Funding of the upfront compensation incentive pool is based on the Group's performance against strategic objectives and annual financial goals. Funding also takes into account a risk review.

Individual award allocations are based on achieving individual performance goals that are designed to reinforce the Group's strategic priorities and values, qualitative measures are used to assess how results were achieved and adherence to risk management, compliance requirements and to the Group's Code of Conduct.

A significant portion of an employee's incentive award is deferred over a period of three to five years. Deferred awards are designed to promote a greater alignment of interest between employees and shareholders.

### **Clawback and forfeitures**

Clawback and forfeiture policies have been adopted in the Group's compensation programs to help mitigate current and future risks.

For all long-term incentive plan participants, the Risk and Remuneration Committee may, in its sole discretion, reduce or forfeit unvested deferred incentive awards depending on the severity of a risk event's impact on the Group line of business financial performance or reputation, and individual accountability. For all Executives and Code Staff, the Committee further maintains the discretion to seek recoupment of awards paid over a period of three years preceding the date upon which the Committee makes its determination that an event of financial restatement, or misconduct or negligence in the management of risk which contributed or could have contributed to significant financial or reputational harm to the Group, has occurred. The Committee evaluates risk events (such as, audit findings, credit losses, financial losses and key indicators of operational, market compliance, poor conduct behaviours and reputational risk) when determining whether to use its discretion to reduce pay-outs from the awarded compensation.

## Remuneration Tables for Code Staff

The following tables show the remuneration awards made in respect of the 2022 performance year. The disclosures are made in accordance with Article 450 of the Capital Requirements Regulation, the Basel Committee on Banking Supervision (BCBS) Pillar 3 disclosure requirements standard and the EBA Guidelines on sound remuneration policies to the extent applicable to the 2022 performance year.

### Remuneration for the financial year <sup>1,2</sup>

	Senior Management	Other Code Staff
Number of individuals	8	28
Fixed remuneration (£m)	1.59	3.87
Variable remuneration (£m)	3.84	4.80
<b>Total remuneration (£m)</b>	<b>5.43</b>	<b>8.67</b>
Variable remuneration In Cash	1.90	2.98
Variable remuneration In Share Linked Instruments	1.62	1.81
Variable remuneration In other types of instruments	0.32	0.00
Outstanding vested deferred remuneration	0.00	0.00
Outstanding unvested deferred remuneration	3.48	5.51

<sup>1</sup> "Senior Management" means the Executive and Non-Executive Directors and Group Management Team members of Columbia Threadneedle Asset Management, in accordance with Article 3(9) of the Capital Requirements Directive. "Other Code Staff" includes all other identified Code staff in business areas, internal control functions and corporate functions.

<sup>2</sup> The table is prepared in accordance with Article 450 of the Capital Requirements Regulation.



- No sign-on payments have been made to newly hired Code Staff during the 2022 performance year.
- One severance payment was made to a Code Staff employee during the 2022 performance year.

Of the individuals above, ten received remuneration of over EUR 1 million. This can be broken down as follows:

Remuneration (million)	Number of individuals
€1m - €1.5	5
€1.5m - €2	0
€2m - €2.5	2
€2.5m - €3	2
€3m - €3.5	1

## Sustainability

Columbia Threadneedle EMEA have integrated Environmental, Social and Governance Risk into the investment selection, monitoring process and performance assessments for Investment advisers and managers. Columbia Threadneedle EMEA's Remuneration Policy promotes sound and effective risk management with respect to sustainability risks and ensures that the approach to remuneration does not encourage excessive risk-taking with respect to sustainability risks and is linked to risk-adjusted performance.

# Contact Us

## **Columbia Threadneedle Investments**

Exchange House  
Primrose Street  
London  
EC2A 2NY  
Tel: +44 (0) 20 7628 8000

Calls may be recorded

**[www.columbiathreadneedle.co.uk](http://www.columbiathreadneedle.co.uk)**

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