



Scottish Friendly Asset Managers Limited - Remuneration Policy

Introduction

Scottish Friendly Asset Managers Limited (SFAM, FRN [188832](#)) is the ACD of The Scottish Friendly Investment Funds ICVC. The Company is a UCITS scheme and is structured as an umbrella company for the purposes of the OEIC Regulations - it has two sub funds the Scottish Friendly Managed Growth Fund (MGF) and the UK Growth Fund (UKGF). SFAM is also the registrar for both Funds.

Under the UCITS V Directive, UCITS management companies must put in place remuneration policies and practices that:

- Are consistent with and promote sound and effective risk management of the UCITS;
- Do not encourage risk-taking which is inconsistent with the risk profile of the UCITS; and
- Do not impair compliance with the UCITS Manager's duty to act in the best interest of the UCITS

The general obligation to have a sound remuneration policy applies to all UCITS Managers, regardless of size. Policies must cover staff whose activities have a material impact on the risk profile of the Manager or the UCITS it manages.

Remuneration of Staff

Scottish Friendly Asset Managers Limited (SFAM) is a wholly owned subsidiary of Scottish Friendly Assurance Society Limited (SFAS, an insurer subject to the PRA's Solvency II requirements). SFAM has no employees - SFAS provides services to SFAM under a services agreement.

SFAS employees are subject to the SFAS Remuneration policy which forms part of Scottish Friendly's risk management strategy, and reflects its objectives for good corporate governance in supporting the long term interests and performance of the business. The policy applies to Scottish Friendly as a whole, but contains specific arrangements that apply to any employees who are considered to have a material impact on Scottish Friendly's risk profile (Board directors and other members of the Executive).

The policy does not encourage any activity which would be deemed inconsistent with the risk profile of the SFAM Funds.

Fund Management

SFAM has outsourced the investment management of each Fund to SVM Asset Management Ltd (SVM, FRN [146873](#)).

SVM has authority to determine the investment strategy and holdings within each Fund subject to the objective/policy which is outlined in an Investment Management Agreement (IMA). SVM is remunerated under the terms of the IMA; the fees paid to SVM are fixed and are not linked to Fund performance.

The manager of the SFAM Funds is subject to SVM's remuneration policy; this policy has been considered by SFAM and does not encourage activity inconsistent with the risk profile of either Fund.