

MIFIDPRU Disclosures

**Royal London Asset
Management Limited**



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1 Introduction

Background

The Investment Firms Prudential Regime (IFPR) sets out requirements for investment firms to disclose additional information relating to their risk management approach, capital adequacy, remuneration approaches and board diversity. This represents an evolution from its predecessor regime, the Capital Requirements Directive (CRD) and Capital Requirements Regulation (CRR), usually referred to together as CRD IV and is intended to help enable stakeholders, including investors, potential investors and counterparties to make informed decisions about their relationship with Royal London Asset Management Ltd (“RLAM Ltd”) on the basis of the harm that RLAM Ltd may pose to customers and markets. This supports effective market discipline and facilitates constructive engagement by all stakeholders.

This information is known as our “MIFIDPRU Disclosures” and is intended to contain an overview of the following aspects of the Royal London Asset Management Group’s non-SNI MIFIDPRU investment firm, RLAM Ltd as at 31 December 2022:

- Risk management objectives, policies and processes for managing material risks identified through the course of assessing RLAM Ltd’s own fund requirements (MIFIDPRU 4), concentration risk (MIFIDPRU 5) and Liquidity (MIFIDPRU 6);
- Internal governance arrangements and a summary of the policy promoting diversity in RLAM Ltd’s management body and its application;
- Own Funds and Own Funds Requirements, including its K-Factor and Fixed Overheads Requirements
- The key characteristics of RLAM Ltd’s remuneration policy and practices and specific quantitative information in support of this.

Scope of application

The MIFIDPRU disclosures set out in this document are provided solely in respect of the RLAM Group’s Non-SNI MIFIDPRU investment firm, RLAM Ltd. The RLAM Group, which also consists of one other subsidiary, Royal London Unit Trust Managers

(“RLUTM”) Limited, which is a Collective Portfolio Management firm and is not a Non-SNI MIFIDPRU firm. Any references to RLUTM within this document are within the context of its position within the RLAM Group and is not to be taken as disclosure of RLUTM for the purposes of MIFIDPRU.

MIFIDPRU includes further disclosure requirements for Non-SNI MIFIDPRU firms, should certain criteria set out in SYSC 19G.1.1(R) and MIFIDPRU 7.1.4(R) not be met. These disclosure requirements include additional qualitative and quantitative remuneration disclosures as set out within MIFIDPRU 8.6.8(6) and MIFIDPRU 8.6.6(4) and investment policy disclosures as set out within MIFIDPRU 8.7. It has been confirmed that across the year ending 31 December 2022, RLAM Ltd meets the criteria set out within SYSC 19G.1.1(R) and MIFIDPRU 7.1.4(R), therefore these additional disclosure requirements are not included within this document.

Frequency of disclosure

This disclosure is subject to review and update at least annually. Regulatory capital requirements and firm-level own funds set out within this disclosure reflect RLAM Ltd’s position as at 31 December 2022. Other disclosures covering RLAM Ltd’s approach to assessing the adequacy of its own funds are based on the RLAM Group’s Internal Capital Adequacy and Risk Assessment (ICARA) review dated 27 June 2022. RLAM Ltd will reassess the need to publish some or all disclosures more frequently than annually in light of any significant change to the relevant characteristics of its business including disclosure about capital resources and adequacy, and information about risk exposure and other items prone to rapid change. This Disclosure is published on RLAM’s website.

RLAM Ltd was established in 1988 and is a non-SNI MIFIDPRU investment firm authorised and regulated by the FCA. RLAM Ltd acts as discretionary portfolio manager, providing investment management solutions to other entities in the Royal London Group as well as a wide range of third party institutional and wholesale clients, including company pension funds, universities and other educational establishments, insurance companies, local authorities, medical organisations, religious bodies and charities. RLAM Ltd provides asset management services across fixed income, equity, multi-asset and property. It also undertakes discretionary portfolio management delegated from other financial entities, however, RLAM Ltd does not delegate this activity to other firms. Alongside RLUTM Ltd, RLAM Ltd is a wholly owned subsidiary of Royal London Management Holdings Ltd (RLAMHL). These three entities collectively comprise the RLAM Group. RLAMHL in turn is a wholly owned subsidiary of the Royal London Mutual Insurance Society Ltd (RLMIS) and form part of the ‘Royal London Group’ (RLG)). The RLAM Group is the asset management division of RLG.



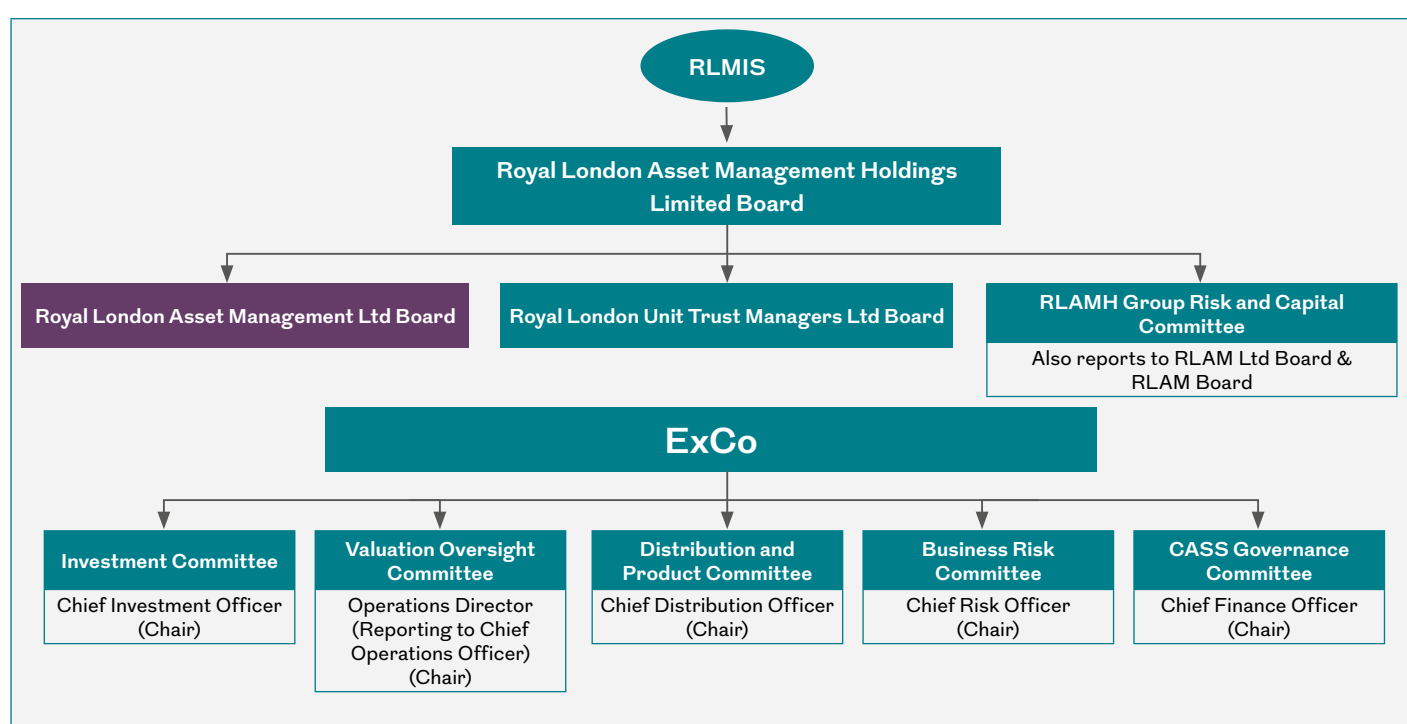
2 Internal governance arrangements

The RLAMHL Board provides leadership and oversight of RLAMHL and its subsidiaries, RLAM Ltd and RLUTM. RLAMHL was set up to provide a consolidation point for capital management of the RLAM Group; its Board of Directors are responsible for the Group ICARA. The governance of RLAM Ltd is conducted through regular meetings of its respective Board of Directors, who, along with the relevant FCA Approved persons, have responsibility for risk management,

compliance and regulatory matters and have oversight of the effective implementation of the Risk Management System for RLAM Ltd. The responsibility for governance and business oversight of RLAM Ltd rests with its directors and the relevant FCA Approved Persons.

The day-to-day management of the business activities of the RLAM Group (including RLAM Ltd) has been delegated to Hans Georgeson, Chief Executive Officer. Whilst the RLAM Group's strategy is set annually by the Boards of the RLAM Group, the strategic and business risks arising from the plan are

reviewed by the Chief Executive Officer on at least a quarterly basis. Additionally, various executive management committees are in place to assist the Chief Executive Officer, FCA Approved persons and other responsible persons in the proper performance of their duties. Individuals identified as Chairs of committees report on their areas of accountability supported by those management committees to the RLAM Group Boards of Directors as set out in the Terms of Reference for those Boards. The governance structure of the RLAM Group is outlined below, with the RLAM Ltd Board highlighted in green:



RLAM Ltd Board

The RLAM Ltd Board meets formally at least four times a year and is responsible for promoting the long-term success of RLAM Ltd in a manner that seeks to generate value for RLMIS whilst taking

account of interests and relationships with its other stakeholders and the impact on the environment. As part of this responsibility, it considers reports and escalated items and discusses business, financial, regulatory, risk and operational

issues impacting the firm. The Board is chaired by a non-executive Director, Shirley Garrood and is comprised of the following directors as of 31 December 2022:

Director	Role in RLAM Ltd	Number of Non-RLG Directorships
Shirley Jill Garrood	Chair	2
Hans Georgeson	Executive Director (Chief Executive Officer)	0
Piers Adrian Carlyle Hillier	Executive Director (Chief Investment Officer)	1
Andrew Lawrence Hunt	Executive Director (Chief Financial Officer)	0
Ewan Farquharson Smith	RLG Employed Non-Executive Director	0
Robert Arthur Daniel Williams	Executive Director (Chief Distribution Officer)	0
Ann O'Brien	Independent Non-Executive Director	2
Christopher Morson	Independent Non-Executive Director	1

RLAMHL Risk and Capital Committee (RCC)¹

The RLAMHL RCC undertakes capital and risk oversight of the RLAM Group comprising Royal London RLAMHL, RLAM Ltd and RLUTM to ensure that the interests of the RLAM Group's shareholders and clients are protected through the application of effective risk and capital management frameworks. The RLAMHL RCC meets formally at least four times a year and is chaired by Shirley Garrood. In support of its responsibilities, the RLAMHL RCC receives regular reporting from the RLAM Group Chief Risk Officer and considers related issues escalated by executive management committees.

Recruitment and selection of members of the RLAM Ltd Board of Directors

RLAM Ltd, as part of the Royal London Group, values and promotes diversity and inclusion and we recognise that having a range of backgrounds and experience in senior positions is the right thing to do and provides the RLAM Group with strategic advantage. RLAM Ltd's specific targets and objectives in relation to the composition of its Board of Directors is set out within the Royal London Board Diversity and Inclusion Policy, which applies to all Boards of the Royal London Group's operating subsidiaries, and can be found [here](#). It includes a commitment to:

- Having at least 33% female representation in its membership
- Having at least one Board member from a Black, Asian and Minority Ethnic (BAME) background

We are working towards these targets and currently 25% of RLAM Ltd Board directors are female. We made positive steps in 2021 with the appointment of Shirley Garrood as Chair. Board diversity will remain a significant factor in determining future Board appointments.

In line with the UK Corporate Governance Code, the selection and recruitment of directors is based on merit against objective criteria and candidates must meet the regulatory requirements for a Board director of a financial services firm. Role profiles set out the skills, experience,

competencies and knowledge required for the role (and regulatory and firm specific responsibilities for regulated roles). Directors are appointed having taken the advice of the Royal London Nominations and Governance Committee. Prior to appointment, background checks are conducted to ensure individuals are fit and proper; with follow up assessments conducted on an annual basis and at any role changes.

All employees and members of the management body are subject to the Royal London Diversity and Inclusion Policy, the aim of which is to promote equality of opportunity for everyone, and to prevent discrimination at work. It also aims to create an inclusive environment where everyone is treated with dignity and respect at work and can contribute to the organisation. It promotes equality of opportunity for everyone, irrespective of personal characteristics, such as age, gender, gender identity, sexual orientation, race or ethnicity, religious beliefs and educational and social background. This also includes creating a culture where employees are able to share issues and concerns and feel confident that this is received in a positive manner.

3 Risk management objectives and policies

The RLAM Group, of which RLAM Ltd is a key component, adheres to the risk management objectives and policies set out for companies within the Royal London Group. The RLAM Group maintains a risk management framework, referred to as the Risk Management System (RMS). This is anchored by the Royal London Group Risk Management Policy, which provides standards to the business on how it identifies, manages, monitors and reports on risks it faces. These are supported by a range of process documents that sets out approaches to be taken for each aspect of the RMS. This framework supports the RLAM Group in delivering its business plan through managing risks and controls, protecting its employees and clients from adverse events and losses.

The RLAM Ltd Board carries responsibility for risk management. As reflected in Section 2 above, there are also management committees chaired by, and consisting of, Senior Managers that have responsibility for specific areas of risk. The framework is structured through a variety of mechanisms that assist in ensuring employees are aware of and understand their responsibilities.

¹ It has been confirmed that across the year ending 31 December 2022, RLAM Ltd meets the criteria set out within MIFIDPRU 7.1.4⁶, therefore RLAM Ltd is presently not subject to the requirements of MIFIDPRU 7.3.1 to establish a risk committee. Nonetheless, the RLAMHL RCC has been established as the principal risk committee of the RLAM Group and includes RLAM Ltd and its fellow subsidiary RLUTM Ltd within its scope.

Three lines of defence

The RLAM Group’s governance structure for risk management is based on the ‘three lines of defence’ model. Primary responsibility for risk management lies with the business.

A second line of defence is provided by a Risk and Compliance function that reports to the RLAMHL RCC and acts independently from the executive management of the RLAM Group to oversee the effectiveness of the Company’s risk management and internal control systems. It also reports on these matters to the subsidiary Boards, including RLAM Ltd.

Group Internal Audit comprises the third line of defence. It provides independent assurance that the Royal London Group’s (including the RLAM Group) risk management, governance and internal control processes are operating effectively. The RLAMHL RCC and RLG Audit Committee receives reports from Group Internal Audit on these matters.

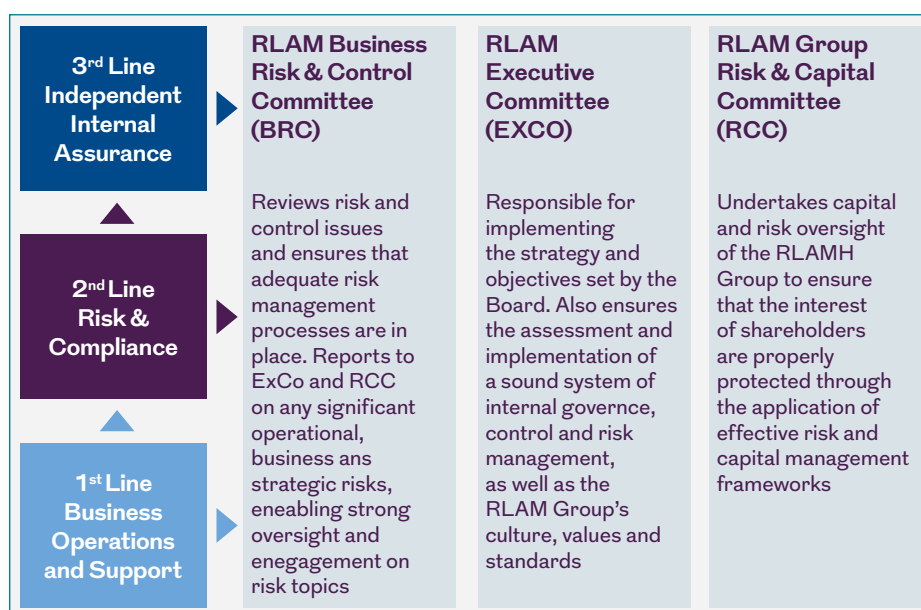
Risk Management System

The key elements of the RMS are:

Risk appetite framework (RAF)

The RLAM Group RAF defines the amount of risk the RLAM Group is prepared to accept in order to achieve strategic and business objectives, based on the activities and the external environment the business operates in. The Framework consists of three layers:

- The risk strategy and risk preferences define the types of risks the RLAM Group aims to take or avoid in the pursuit of its business objectives and sets the boundaries within which its risk appetite will operate;
- Risk appetite statements explain how much risk the RLAM Group is prepared to be exposed to in relation to each risk category; and;
- Risk metrics and tolerances which help to measure the amount of risk exposure against risk appetite. Each metric has limits designed to provide an early warning of when the RLAM Group is approaching risk appetite limits.



All risk metrics are logged on the Company’s risk system and reported to the relevant governance bodies on a regular basis. Any individual metrics that are approaching or exceeding set limits require an action plan to ensure that they move back to within appetite. Such plans normally include identification and remediation of gaps or weaknesses in the control environment. The RLAM Group Business Risk Committee reviews metric outputs in conjunction with the other elements of the RMS to assess whether they reflect an environment that is within, approaching or out of risk appetite. The assessment is conducted for each risk appetite category as well as on an overall basis for the business. Any risk appetite categories assessed as either having a control environment approaching or out of appetite requires an action plan to ensure that the risk and control exposure is addressed and moves back within appetite.

The RLAM Group RAF is subject to a periodic review performed at least annually to reassess the tolerance for material risks inherent in the RLAM Group’s business. As part of this review, the RLAMHL Group RCC evaluates whether all risk appetite statements and risk metrics are commensurate to the risk the RLAM Group is willing to assume in achieving its strategic objectives. The RLAMHL Board then considers the recommendation of the RLAMHL RCC and if appropriate approves the RLAM RAF for application as part of RLAM Group’s RMS.

Risk registers

Each function within the RLAM Group owns a risk register within which risk and control assessments (RCSAs) are conducted. The risk register owner identifies all key risks inherent in the important business services operated by that function, including those that impact the achievement of key objectives. Each risk identified is logged on the risk system and assessed on its inherent impact and likelihood, as well as its residual impact taking into account the effectiveness of relevant controls. Action plans are put in place to address controls identified as not being fully effective or risks that are not mitigated to within risk appetite. All action plans are tracked and monitored via the risk system to ensure timely completion. All identified risk events are logged on the risk system with the impact established and documented. All risk events are reviewed by functional business support teams to ensure their accuracy and completeness, that action plans are robust, and each event is closed in a timely manner. Data from risk events logged is used to inform other elements of the RMS, including RCSAs and the RLAM Group Internal Capital Adequacy and Risk Assessment (ICARA).

ICARA

The RLAM Group ICARA process is conducted on a groupwide basis comprising RLAM Ltd, RLUTM and their immediate holding company, RLAMHL. It is a process of ongoing identification, monitoring and mitigation of the harms that a firm may pose to itself, its clients and the markets it operates in from both its ongoing business operations and those that may arise from winding down its business. It is also intended to identify the amounts and spread of types of capital and liquid assets considered adequate to cover unmitigated harms that the RLAM Group may cause itself, its clients, and the markets it operates in. The RLAM Group is required to complete an ICARA at least on an annual basis. Further details on the ICARA process is set out within Section 5 RLAM Ltd own funds and own funds requirement.

Outputs from these activities not only support the RLAM Group's assessment of the adequacy of its capital and liquidity but also informs other elements of the RMS, for example the RLAM Group's RCSAs and risk appetite. The ICARA is used within the business to support decision-making processes, identify potential risk exposures and implement appropriate mitigants. Should business plans or significant re-positioning of the RLAM Group's business model or activities require it, interim reviews will be undertaken.

Effectiveness of Risk Management Processes

RLAM Ltd draws on outputs from the RLG Risk Management System (RMS) in order to determine the effectiveness of its risk management processes, with matters of significance reported to the RLAM Business Risk and Control Committee, the RLAMHL RCC and the RLAMHL Board. The RLAM Group ICARA (which includes RLAM Ltd in its scope) is also subject to a number of levels of review and validation. Should any points of challenge arise that gives RLAM Ltd management cause to doubt the appropriateness and veracity of outputs of the ICARA, then this would give RLAM Ltd cause to consider and reassess the appropriateness of its RMS and its outputs. In addition, Royal London Group conducts periodical reviews over the RMS in its totality, including assessing and reporting over risk and control attestations performed by the business.

In conclusion, the RLAM Group and its subsidiary entities (including RLAM Ltd) considers the application and design of the RMS it operates to be sufficiently adequate to identify, quantify, manage and mitigate risks across the RLAM Group.

4 Key Harms and Risks

MIFIDPRU 8.2.1 requires RLAM Ltd to disclose its risk management objectives and policies for the categories of risk addressed by:

- (1) MIFIDPRU 4 (Own funds requirements);
- (2) MIFIDPRU 5 (Concentration risk); and
- (3) MIFIDPRU 6 (Liquidity).

Key Harms and Risks identified within MIFIDPRU 4

RLAM Ltd has identified and assessed the following categories of risk within its assessment of own funds requirements:

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events, and reflects the risk that inherently arise from RLAM Ltd's own business activities and operations. They exist in the normal course of business and are heightened when RLAM Ltd undertakes changes to its organisation. Where operational risk events occur, they carry the potential for harm to one or a combination of RLAM Ltd's own clients, the markets it operates within, as well as to its business performance, operations and standing with stakeholders.

Operational risk may arise from errors in its important business services, including investment management, trading, valuation and pricing, distribution and client servicing and across its internal operations. Operational Risk may also arise from breaches of internal control systems and compliance requirements, internal or external fraud, damage to physical assets, and/or business disruption due to system failures, execution, delivery and process management or other events. Operational

risk can also arise from potential legal or regulatory actions, such as non-compliance with regulatory requirements, ethical or market standards or contractual obligations. Sources of operational risk are monitored through the Risk Management System (RMS) implemented in the RLAM Group, which RLAM Ltd is a part of. Components of the RMS such as the risk strategy, risk appetite and policies set out the objectives, direction, limits and tolerances within which the Directors expect the business to operate. Other components of the RMS also support the management of operational risk across the RLAM Group, with policies, procedures and processes in place to identify, assess, control and remediate, monitor and report on operational risk.

Market Risk

Market risk is defined as the risk that arises where fluctuations in values of, or income from assets or in interest or exchange rates cause a divergence in the value of RLAM Ltd's own assets and liabilities, resulting in harm to the firm. RLAM Ltd is principally exposed to market risk through price risk, which is the risk that a decline in the value of our investments impacts profits. This risk is mitigated by investments being made in short term rated cash and money market funds held.

Credit Risk

RLAM Ltd's credit risk principally arises where a counterparty is unable to pay in full amounts when due, resulting in harm to RLAM Ltd's own financial position. RLAM Ltd's exposure relates to deposits with banks and receivables from clients. This is managed through limiting bank deposits to high quality credit institutions, and also through conducting regular monitoring of counterparty balances, including receivables from clients.

Strategic Risk

Strategic risk arises from the choice of strategy, business model and decisions about the direction of RLAM Ltd and is defined as a failure to achieve business objectives in the medium term. Strategic risk may also arise as a result of a failure to identify and address emerging risks or ESG and climate change risks or as a result of unexpected changes in the external macro-economic, geopolitical,

industry or regulatory environment, client behaviour or an event that impacts earnings, including contracting markets, reduced margins from competitive pressure, adverse client selection and business concentration, inappropriate management actions, and other external risks that might deflect from desired strategy and execution of business plans. If these risks are not carefully managed, RLAM Ltd's AUM and the income it therefore receives may be lowered, thereby causing harm to the firm. The component aspects are identified, assessed, monitored and reported through application of the RLAM Group's RMS. RLAM Ltd also considers scenarios to stress-test its business model and resistance to unexpected shocks and changes.

Concentration Risk

Concentration risk is any single or group of exposures that may have the potential to produce losses large enough to threaten an institution's health or ability to maintain its core business. This includes large (connected) individual exposures or significant exposures to groups of counterparties, whose likelihood of default is driven by common underlying factors, e.g., sector, economy, geographical location and instrument type. Concentration risk carries the potential to cause harm to RLAM Ltd, and should the exit of key clients occur, it may also cause harm to its remaining clients. The key sources of this risk for RLAM Ltd are:

- Credit concentration relating to deposits held at bank. This risk is managed through limiting bank deposits to high quality credit institutions. RLAM Ltd has also assessed that should the single largest counterparty fail, the level of readily available core and non-core liquid assets from other sources means that RLAM Ltd would retain sufficient liquidity to meet its obligations as they fall due. This risk is monitored as part of RLAM Group's risk appetite framework.
- Receiving the majority of its income from its parent entity, RLMIS. RLAM Ltd manages its earnings volatility through continuing to diversify revenue streams

by product, client and region whilst also focusing on long term fund performance. RLAM Ltd has also assessed the risk of withdrawal of most or all of RLG assets from its management as part of its ICARA and it is considered that the likelihood of such an event is considered to be remote. This risk is monitored as part of RLAM Group's risk appetite framework.

Liquidity Risk

This represents the risk that adequate liquid funds are not available to settle liabilities as they fall due or when the RLAM Group experiences sudden unexpected cash outflows. This may cause harm to RLAM Ltd. RLAM Ltd's funding sources are client fees paid in arrears while its main costs are general expenses and salaries. We hold assets as readily accessible bank deposits and highly liquid cash and money market funds. We also operate a liquidity management policy which involves reporting liquidity position vs appetite each month to the Financial Controller and to the RLAM Group Executive Committee and to the RLAM HL Board on a quarterly basis. We also conduct liquidity stress testing to ensure we hold sufficient liquidity under stressed circumstances.

5 RLAM Ltd own funds and own funds requirement

K-Factor and Fixed Overheads Requirement for RLAM Ltd

RLAM Ltd is required to disclose the K-Factor requirement and the fixed overhead requirement (FOR) amounts calculated for compliance with the own funds requirement set out in MIFIDPRU 4.3.

(£m)	
Fixed Overhead Requirement	34.5
K-Factor Requirement	25.2
Split between:	
- Assets for which RLAM Group are responsible	24.9
- Execution Activity undertaken by RLAM Group	0.3
- Exposure based risks	-

Approach to assessing adequacy of own funds

The RLAM Group ICARA identifies the amounts and spread of types of capital and liquid assets considered adequate to cover unmitigated harms that the RLAM Group may cause itself, its clients, and the markets it operates in. This is achieved through:

- An assessment of the RLAM Group's business strategy and ongoing operating activities. The extent to which this poses harm to RLAM Ltd, its clients and the markets it operates within is assessed and quantified through ICARA scenarios, which identifies and assesses plausible, yet material manifestations of those harms and quantifies any required capital for harms that are not fully mitigated by existing controls and processes. This assessment is conducted using a combination of internal RCSA and internal and external risk event risk data and expert judgement.
- Capital and Liquidity Planning and Stress-testing, which identifies an appropriate range of adverse circumstances of varying nature, severity and duration relevant to the RLAM Group's risk profile, business model and strategy. This assesses how the RLAM Group, through application of recovery plans, can recover from such risks on a forward-looking basis and to ascertain whether it holds sufficient capital and liquidity to withstand such shocks. Reverse stress testing is also performed to identify the extent of shocks required for the RLAM Group to become unviable.
- An assessment of the level of capital and liquidity required to support an orderly wind down of the RLAM Group (including RLAM Ltd) that minimises potential harms to itself, its clients, counterparties, and the wider financial services sector. This takes the results of reverse stress testing as a starting point.

Working groups comprised of representatives across all functions in the RLAM Group are in place to perform, review and challenge these assessments. Further review and challenge is provided by the RLAM Group's Executive Committee and the RLAMHL RCC before being subject to final review and approval by the RLAMHL Board, which assumes responsibility for formal approval of the RLAM Group ICARA.

The Board has concluded that the RLAM Ltd has sufficient financial resources in terms of both capital and liquidity to ensure that there is no significant risk that its liabilities cannot be met as they fall due. The Directors firmly believe that adequate and effective risk management processes represent the most effective means of managing the business activities of the RLAM Ltd, and senior management continues to review and oversee the

existing business control environment to ensure that risks are managed in a comprehensive and robust manner.

Own Funds - Capital resources

At 31 December 2022 and throughout the year, RLAM Ltd has complied with its individual capital requirements. The table below summarises the total own funds for RLAM Ltd as at 31 December 2022.

Composition of regulatory own funds (OF1)**			
No	Item	Amount (GBP 000's)	Source*
1	OWN FUNDS	222,822	
2	TIER 1 CAPITAL	222,822	
3	COMMON EQUITY TIER 1 CAPITAL	232,127	
4	Fully paid up Capital Instruments	7,000	Note 14 – Called up share capital & Note 15 - Capital reserve
5	Share Premium	-	
6	Retained Earnings	225,127	Statement of Changes in Equity
7	Accumulated Other Comprehensive Income	-	
8	Other funds	-	
9	(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	-9,305	
10	Intangible assets	-8,611	Note 8 – Intangible assets
11	Deferred tax assets	-694	Note 7(c) – Deferred tax asset
12	CET1: Other capital elements, deductions and adjustments	-	
13	ADDITIONAL TIER 1 CAPITAL	-	
14	Fully paid up, directly issued capital instruments	-	
15	Share Premium	-	
16	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	-	
17	Additional Tier 1: Other capital elements, deductions, and adjustments	-	
18	TIER 2 CAPITAL	-	

*Based on reference numbers of the balance sheet in the audited financial statements

** Tier 1 capital comprises of share capital, share premium, profit and loss and other reserves. Tier 2 capital includes revaluation reserves; RLAM Group does not utilise

The table below presents a reconciliation of RLAM Ltd's regulatory own funds presented above to its own balance sheet in the audited financial statements of RLAM Ltd.

		a	b
		RLAM Ltd audited balance sheet (as at 31 Dec 2022)	Cross-reference to template OF1
Assets – Breakdown by asset classes according to the RLAM Ltd balance sheet in the audited financial statements			
1	Investments	219,917	
2	Deferred tax asset	694	Item 11
3	Debtors	41,524	
4	Cash at bank and in hand	63,864	
5	Intangible assets	8,611	Item 10
	Total Assets	334,610	
Liabilities - Breakdown by liability classes according to the RLAM Ltd balance sheet in the audited financial statements			
1	Creditors	99,054	
2	Provision for liabilities	3,429	
	Total Liabilities	102,483	
Shareholders Equity			
1	Called up share capital	2,000	Item 4
2	Capital reserve	5,000	Item 4
3	Retained earnings	225,127	Item 6
	Total Shareholders Equity	232,127	

Own Funds: Main Features of Own instruments issued by RLAM Ltd

Issuer	Royal London Asset Management Limited
Public or private placement	Private
Instrument type	Ordinary share
Amount recognised in regulatory capital (GBP thousands, as of most recent reporting date)	£2,000
Nominal amount of instrument	£1
Issue price Redemption price	N/A
Accounting classification	Share capital
Original date of issuance	28 July 1988
Perpetual or dated	Perpetual
Maturity date	N/A
Issuer call subject to prior supervisory approval	N/A
Optional call date, contingent call dates and redemption amount	N/A
Subsequent call dates	N/A
Coupons/dividends	Discretionary dividends
Fixed or floating dividend/coupon	N/A
Coupon rate and any related index	N/A
Existence of a dividend stopper	N/A
Convertible or non-convertible	N/A
Write-down features	N/A
Link to the terms and conditions of the instrument	N/A

6 Remuneration disclosure

The remuneration policy of the RLAM Group is under the oversight of the RLG's Remuneration Committee. Information on the remuneration policy, the link between pay and performance, and quantitative information can be found within this section of the Royal London website:

<http://www.royallondon.com/about/corporategovernance>

Contact us

For more information about our range of products and services, please contact us.

Royal London Asset Management

80 Fenchurch Street,
London, EC3M 4BY

John Nicol

Chief Risk Officer RLAM

020 7506 6500

www.rlam.com

Telephone calls may be recorded. For further information please see the Legals notice at www.rlam.com.

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