

Pictet Asset Management Limited Pillar 3 remuneration disclosure

For the period 1 January to 31 December 2021



PILLAR 3 REMUNERATION DISCLOSURE

Introduction

Pictet Asset Management Limited (“the Company”) is authorised and regulated by the Financial Conduct Authority. The Company is a Limited Licence Company and was therefore subject to the FCA’s BIPRU Remuneration Code (“the Code”) for the 2021 performance year.

The business of the Company is to provide investment management and advisory services to segregated mandates and mutual funds. The Company is ultimately controlled by the Partners of the Pictet Group, which is a private Swiss banking group primarily engaged in the provision of asset management and custodial services.

The Remuneration Policy of the Company is designed to comply with the Code, and, as a result, compensation arrangements:

1. Do not encourage excessive or undue risk taking;
2. Contain measures to avoid conflicts of interest;
3. Are consistent with and promote sound and effective risk management; and
4. Are consistent with the Company’s business strategy, objectives and values, as well as those of the wider Pictet Group.

Application of the Requirements

The Company is required to disclose at least annually certain information concerning our Remuneration Policy and practices in relation to a defined group of Code Staff. Code Staff are identified based on the impact of their professional activities on the risk profile of the Company. The categories for identification broadly include the Directors of the Company, senior management, Control functions and those staff whose professional activities have a material impact on the risk profile of the Company. The Remuneration Committee and the Directors of the Company approve the list of Code Staff on an annual basis.

A Remuneration Policy has been approved by the Remuneration Committee and the Directors of the Company, in accordance with the principles set out by the FCA in its Code.



The Company's Remuneration Policy is reviewed on at least an annual basis, or whenever there has been a significant change to the business activities of the Company, which may require an amendment to its Internal Capital Adequacy Assessment Process. Responsibility for ensuring the Remuneration Policy is implemented appropriately lies with members of the Company's Executive Committee, overseen by the Directors of the Company.

Individuals are remunerated based on their individual performance and contribution to the business. Remuneration of Code staff comprises the following elements:

- Base Salary
- Pictet Parts profit sharing scheme – this provides some participation in the profitability of the whole Pictet Group.
- Bonus schemes – these may be based on balanced scorecards or be discretionary.
- Long-term incentive plan – the purpose of the plan is to align the remuneration of certain senior executives with the long-term results of the asset management business.

All bonus awards above a certain level are subject to deferral.

The ability of the Company to pay bonuses is based on the performance of the Company overall, as well as that of the Pictet Group.

Malus and clawback provisions may be applied to deferred or long-term incentive plan awards to support the risk management objectives of the Company.

The Company has a Remuneration Committee which is delegated responsibility for remuneration matters by the Company's Executive Committee. The Remuneration Committee meets to consider matters relating to remuneration policy and structures, including approval of individual remuneration decisions for senior management and those considered to have a material impact on the risk profile of the Company. The membership of the Remuneration Committee consists of the Company's Co-CEOs and Head of Human Resources. The Remuneration Committee ensures that remuneration outcomes take appropriate account of all relevant current and future risks. It will also have regard to the Company's business strategy, the



Remuneration Policy of the Pictet Group, the external competitive markets and relevant legislation, regulation and corporate governance in the jurisdictions in which the Company operates. Independent oversight is provided by the Partners of the Pictet Group who oversee remuneration policies and procedures across the Pictet Group and provide oversight of remuneration decisions.

Quantitative remuneration disclosure 2021

The aggregate remuneration for Code Staff for the financial year ended 31 December 2021 is as follows:

Pictet Asset Management Limited (GBP)

Fixed remuneration	4,561,836
Variable remuneration	20,940,879
Total remuneration	25,502,715

There are 13 Code Staff, all of which are senior management.

Aggregate remuneration includes base salary, pension, benefits, annual bonus (cash and deferred), Pictet Parts and LTIP paid for the period 1 January 2021 to 31 December 2021.

This disclosure is updated as soon as practicable following the finalisation of variable remuneration for the year.