Gresham House Asset Management Ltd

MIFIDPRU Disclosure — For the year ended 31 December 2025

Gresham House
Specialist investment

Contents

1. Basis of preparation
2. Governance
3. Risk Management
4. Own Funds (Capital resources)
5. Remuneration Policy

1. Basis of preparation

Gresham House Asset Management Limited ("GHAM" or "the firm") is a fully owned subsidiary of Gresham House Limited ("Gresham House" or "the Group") that provides funds, direct investments and tailored investment solutions including co-investment. The Group advises funds and individual clients across a range of investment classes including public and private market and real assets.

GHAM is authorised and regulated by the FCA as a collective portfolio management investment firm ('CPMI'), by virtue of being a full-scope UK AIFM with MiFID top-up permissions and is thus subject to the FCA's Investment Firms Prudential Regime (IFPR) for MiFID investment firms, which came into effect on 1 January 2022.

The public disclosure requirements of IFPR are set out in the FCA's MIFIDPRU 8 Handbook. Per IFPR rules, GHAM is a non-small and non-interconnected investment firm ("non-SNI" Firm). As a non-SNI Firm, GHAM is required to disclose: governance arrangements (MIFIDPRU 8.3); risk management objectives and policies in respect of own funds requirements (MIFIDPRU 4), concentration risk (MIFIDPRU 5) and liquidity (MIFIDPRU 6) (MIFIDPRU 8.2); own funds and a reconciliation to the firm's financial statements (MIFIDPRU 8.4); own funds requirements, including the fixed overheads requirement (FOR), the K-factor breakdown, and the firm's approach to assessing compliance with the overall financial adequacy rule under MIFIDPRU 7.4.7R (MIFIDPRU 8.5); and remuneration policy and practices (MIFIDPRU 8.6).

1.1. Reporting period and data sources

This is GHAM's annual MIFIDPRU Disclosure for the year ended 31 December 2025, and supersedes the Disclosure for the year ended 31 December 2024. Own funds, K-factor and liquid assets figures in Section 4 are GHAM's position as at 31 December 2025, taken from the firm's finalised MIFIDPRU workings and regulatory data files. The balance sheet reconciliation in Section 4.4 and the directors' details in Section 2.3 are taken from GHAM's audited financial statements for the year ended 31 December 2025, approved by the Board and signed on 24 April 2026. Governance and risk-management commentary also draws on the FY26 Internal Capital Adequacy and Risk Assessment ("ICARA"), reviewed and approved by the GHAM Board on 28 August 2026, which assesses GHAM's financial resources under base-case and stressed scenarios through FY29 — a small number of figures sourced from the ICARA are therefore dated 30 June 2026 and are labelled accordingly.

1.2. Business developments since the FY2024 disclosure

During the period, the Group also completed the acquisition of SUSI Partners AG, a Swiss-headquartered specialist investment manager focused on energy transition infrastructure; the combined Energy Transition platform manages approximately £2.7bn (€3.1bn) of assets and is ranked among the ten largest energy transition infrastructure platforms in Europe, with an increased footprint across Switzerland, Germany, Singapore and other international locations.

Subsequent to 2025-year end, on 1 July 2026, Gresham House also completed the acquisition of a majority interest in Molpus Woodlands Group, a US-headquartered specialist timberland and natural capital manager. The combined forestry platform manages approximately $8bn (£6bn+) of assets across more than 2.2 million acres and is ranked among the three largest timberland investment managers globally, and establishes the Group's first corporate presence in the United States. This is disclosed here as a significant post-year-end development known at the time of preparing this Disclosure.

Both acquisitions were effected at Gresham House Limited (Group) level. They do not alter GHAM's regulated permissions or prudential requirements, and the associated integration risk is assessed within GHAM's ICARA as a discrete harm scenario (Acquisition Integration Failure — see Section 4.2).

The Board and Risk Management Committee have been closely monitoring the macroeconomic and market impact of the escalation in the Middle East, including energy price volatility, supply chain disruption, delayed rate cuts and foreign exchange pressures.

1.3. General

Future disclosures will continue to be issued on an annual basis once reviewed and approved by the Board, and published on the Group's website. The information in this document has not been and is not required to be audited by the Group's external auditors, and does not constitute a financial statement; it has been produced solely for IFPR disclosure purposes.

The Gresham House annual review can be found online at https://greshamhouse.com/gresham-house-annual-review/

2. Governance

2.1. Overview of GHAM's governance arrangements

Gresham House Asset Management is a fully owned subsidiary of Gresham House Limited. The Group Board is ultimately responsible for the effective management of risks across the Group and considers the effective management of these risks and opportunities as central to the achievement of its long-term objectives.

The Group Board sets the Group's risk strategy and risk appetite after considering recommendations from the Group Audit & Risk Committee, oversees risk monitoring and control, is responsible for ensuring that the Group as a whole and its regulated subsidiaries maintain sufficient capital and liquidity resources to meet regulatory requirements and support growth, and promotes an overall culture of effective risk management while delegating day-to-day risk management to the Boards of the Group's companies.

The GHAM Board is responsible for implementing risk management arrangements and ensuring that GHAM's risk exposures are managed in line with the Group's business objectives and within its stated risk appetite, and provides oversight and approval of the process for identifying, evaluating, managing and reporting the significant risks faced by GHAM.

2.2. Board committees

As a non-SNI firm below the threshold requirements set out in MIFIDPRU 7.1.4, GHAM is not required to establish a risk committee, remuneration committee, or nominations committee:

- GHAM's on-balance sheet assets and off-balance sheet items over the preceding 4-year period is a rolling average of £300 million or less;
- GHAM does not operate a trading book business of over £150 million, or a derivatives book business of over £100 million.

The GHAM Board meets quarterly and receives an update on risk profile, incidents and breaches, updates in the compliance environment, capital adequacy, and other relevant metrics and management information. The GHAM Board comprises the senior management of the firm, who are also members of the New Product Due Diligence and Investment Oversight fora and divisional executive group meetings. The Group Board has three committees — Audit & Risk, Remuneration, and Investment — and the Group Audit & Risk Committee meets at least bi-annually to review and, where required, challenge the Group's management of risks.

2.3. Directorships

The Group and GHAM have reviewed the number of external directorships held by members of the Group and GHAM Boards and are satisfied that the arrangements are such that the Boards are able to commit sufficient time and resources to their obligations. The number of directorships held is monitored on an ongoing basis. GHAM's Board membership below is taken from the Company Information page of GHAM's audited financial statements for the year ended 31 December 2025.

GHAM Board members	Additional Directorships*
Anthony (Tony) Dalwood	1
Kevin Acton	-
Samee Khan	-
Rupert Robinson	-
Heather Fleming	-
Andrew Hampshire	-
Ben Guest	1
Olly Hughes	1
Peter Bachmann	-
Joseph Martin O'Carroll	-
Trevor Hope	-
Jeston Na Nakhorn	-

GHAM Board members	Additional Directorships*
Ken Wotton (appointed 8 April 2025)	-

M Adams resigned as a director on 31 January 2025 and Ben Gunnee resigned on 27 November 2025; neither is included above.

**Figures are prepared on the basis required by MIFIDPRU 8.3.2.R and exclude: (i) executive and non-executive directorships held in organisations which do not pursue predominantly commercial objectives; and (ii) executive and non-executive directorships held within the same group, or within an undertaking (including a non-financial sector entity) in which the Firm holds a qualifying holding.*

2.4. Board diversity

The Group is committed to diversity, equity, and inclusion. The Group Management Committee reviews the structure, size, and composition of the Boards of the Group and regulated subsidiaries (including GHAM), as required, including skills, knowledge, experience, and relevant diversity, and recommends changes as appropriate. In identifying suitable Board candidates, the Board may use external advisers to attract a shortlist of high-calibre, diverse candidates, with ultimate decisions based on merit.

The GHAM Board is entirely constituted by executive directors, being the senior management of the GHAM business and operating divisions.

3. Risk Management

3.1. Approach to risk management

The Gresham House approach to risk management encompasses the arrangements for the management of enterprise-wide risks, and the specific investment risks relevant to each fund. The Chief Financial Officer is the FCA Senior Manager with designated responsibility for Risk Management, supported by sufficient internal and external resources. The Group's Risk Management Policy ("RMP") sets out the risk governance structure, risk identification and assessment processes, roles and responsibilities, and arrangements for periodic risk reporting across the Group.

The Group Audit & Risk Committee reviewed and approved the annual refresh of the RMP and key risk management outputs, including the Group Risk Register and risk trends, during the review period. There were no material changes to the risk tolerances of the business.

Governance and oversight

The GHAM Board has ultimate responsibility for overseeing the effectiveness of the firm's risk management arrangements. During the review period, the Board received regular reporting on GHAM's principal and emerging risks, performance against risk appetite, material incidents and breaches, control effectiveness, and the status of agreed remediation actions. Board oversight is supported by the Group Management Committee, the AIFM Risk Management Committee, and other governance fora including Investment Committees, Valuation Committees and the Conflicts Committee.

Risk ownership and second-line oversight

GHAM's risk management framework is based on clear accountability between first- and second-line functions. First-line business, investment and process owners are responsible for identifying, assessing, managing and monitoring the risks arising from their activities. The second-line Risk Management Function maintains the risk management framework and provides independent oversight and challenge, including facilitating risk identification, monitoring exposures against appetite and limits, challenging control design, overseeing the assessment of material harms, reviewing stress-testing assumptions, and reporting to senior management, the AIFM Risk Management Committee and the Board.

At the review date, the second-line Risk Management Function comprised one dedicated full-time employee, supported by input from Compliance, Finance, Operations, Legal and the investment divisions. The Board recognises that this concentration of responsibility in one individual creates residual key-person, capacity and operational-resilience risk, and reviews the adequacy of second-line capacity by reference to the growth and complexity of GHAM's mandates, the volume of incidents and remediation activity, and the extent of reliance on manual processes — with additional resource, specialist support or investment in risk systems to be considered where these indicators show the current model may no longer provide sufficiently effective or resilient oversight.

Incidents and breaches

Based on the incidents and breaches register for the review period, no event resulted in material financial loss to GHAM or its clients, or in regulatory sanction. Engagement with the incident reporting framework has increased, supporting earlier identification and escalation; this is consistent with a more transparent reporting culture rather than a deterioration in control effectiveness. Recurring themes requiring continued management attention include execution and process-compliance errors, reliance on manual controls, change-management governance, documentation quality, third-party and delegated-service oversight, and the escalation of portfolio and operational developments. These themes are reflected in the Group Risk Register and the design of the ICARA's stress scenarios.

Independent external assurance

The latest ISAE 3402 Type II Control Report, covering 1 October 2024 to 30 September 2025, was undertaken by Grant Thornton UK Advisory & Tax LLP. Grant Thornton concluded that controls were suitably designed and operated effectively in all material respects throughout the review period, subject to one exception relating to the timing of approval for a small number of investment-related cash and foreign exchange transactions, which management has since remediated through a strengthened approval process and ongoing monitoring.

Other risk-framework developments during the period include: enhanced liquidity risk management and monitoring for the public equity funds, BSIF and SETF; embedding of a 24-hour incident notification requirement; an internal assessment of valuation governance across all investment divisions (following the FCA's March 2025 multi-firm review of private-market governance and valuation practices), which concluded that GHAM's valuation processes are sound and well-structured, while identifying enhancement actions around Valuation Committee voting rights, back-testing of valuations against realised exit prices, and central oversight of external valuer appointment and performance; restructuring of AIFM Risk Committee reporting to include Enterprise risks, KPIs and KRIs; and formalisation of GHAM's Risk Appetite Statement alongside updates to the Group Risk Management and Remuneration Code policies.

Operational resilience

GHAM is identifying its important business services and setting impact tolerances for the maximum tolerable disruption to each, in line with the FCA's operational resilience requirements. These services will be mapped to their underlying people, process, technology and third-party dependencies, and tested against severe but plausible disruption scenarios.

Overall effectiveness assessment

Taking account of Board and committee reporting, risk-appetite monitoring, incident and breach analysis, independent assurance, control reviews and remediation status, GHAM considers that its risk management processes operated effectively during the review period. No pervasive failure of the risk management framework was identified. The framework is assessed as effective, with identified enhancements in progress, particularly in relation to second-line capacity and resilience, manual control dependencies, change governance, and documentation standards.

3.2. Approach to assessing capital, liquidity, and concentration risks

The Group Board has identified the core risks within the business and put in place internal controls. Each risk is evaluated using a combination of qualitative and quantitative assessments, proportionate to the risk identified, from a strategic, financial, operational, regulatory, reputational and ESG perspective. In the context of MIFIDPRU, GHAM discloses its risk management objectives and policies for the following prudential risks:

Risk description	Mitigation controls (updated to 30 June 2026)
Capital and liquidity risk The risk of insufficient capital and/or liquidity to meet GHAM's financial obligations, or fund redemption/obligation risk, as they fall due.	• The Group ensures it exceeds minimum levels of liquidity, at Group and legal entity level, at all times, through monthly reviews by Finance. • GHAM's Internal Capital Adequacy and Risk Assessment ("ICARA") assesses own funds and liquidity requirements and ensure sufficient capital is maintained to cover those risks under normal and stressed market conditions. Each regulated entity within the Group has Own Funds and Liquidity in excess of regulator set limits. • Financial planning processes include both AUM growth and diversification of revenue streams. Liquidity forecasts are prepared across the Group with adequate measures put in place to ensure future cash flows are appropriately provided for.

Risk description	Mitigation controls (updated to 30 June 2026)
	• Liquidity is actively managed across funds by ensuring funds do not invest outside their mandate in unlisted assets, do not have concentrated exposure to a single security, and hold a reasonable level of cash.
Concentration risk The risk that large exposures to specific counterparties, sectors or assets could result in excessive losses.	• GHAM does not trade on its own account, minimising concentration risk in any particular investment or asset class. Our focus remains on managing client assets and providing tailored investment solutions. • GHAM maintains a diversified product offering across six divisions — Public Equity, Private Equity, Forestry, Housing, Energy Transition, and Sustainable Infrastructure — with regulated AuM growing from £7,955m at 30 June 2025 to £8,152m at 30 June 2026, reducing the potential impact of concentration in any single strategy, asset class or counterparty. • Fund concentration risks are borne by clients in the first instance; GHAM conducts regular portfolio reviews to assess the composition and performance of client portfolios and identify emerging concentration risks. • Rigorous due diligence and risk assessment processes are applied to investment instruments, issuers and sectors before they are offered to clients, considering market conditions, sectoral exposures and counterparty risk.

4. Own Funds (Capital resources)

4.1. Own funds requirement

Per MIFIDPRU 4.3.2, the baseline own funds requirement of a non-SNI MIFIDPRU investment firm is the highest of: its Permanent Minimum Requirement (PMR) under MIFIDPRU 4.4; its Fixed Overheads Requirement (FOR) under MIFIDPRU 4.5, calculated as one quarter of the firm's annual relevant expenditure; or its K-factor requirement (KFR) under MIFIDPRU 4.6, the sum of the Risk to Client, Risk to Market and Risk to Firm K-factors.

GHAM's Own Funds requirement and resources as at 31 December 2025 are set out below, taken from the firm's finalised MIFIDPRU workings and regulatory data files (December 2025).

Own Funds requirement	31 DEC 2025 (£'000s)
A. Permanent Minimum Requirement	75
B. Fixed Overheads Requirement	8,058
C. K-factors Requirement	144
of which: K-AUM (clients' assets under management)	141
of which: K-COH (client orders handled)	3
Basic Own Funds requirement (higher of A, B or C)	**8,058**
Own Funds resources	**115009**
Basic Own Funds surplus	**106,951**

The Fixed Overheads Requirement is the binding Pillar 1 own funds requirement, and has increased in line with the growth of the business:

Metric	31 Dec 2023	31 Dec 2024	31 Dec 2025
Total (audited) expenses	£45.3m	£47.4m	£47.8m
Relevant fixed overheads	£23.1m	£30.7m	£32.2m
Fixed Overheads Requirement	**£5.79m**	**£7.67m**	**£8.06m**

The increase in relevant expenditure, and consequently the FOR, is consistent with the Group's expanded scale following the SUSI Partners transaction (Section 1.2) and, on a forward-looking basis, the subsequent Molpus Woodlands transaction.

4.2. Approach to assessing compliance with the overall financial adequacy rule

(MIFIDPRU 8.5 / MIFIDPRU 7.4.7R)

The disclosures in this section reflect GHAM's most recently Board-approved ICARA — the FY26 cycle, approved on 28 August 2026 — which was the current ICARA at the time of preparing this Disclosure. Figures are as at 30 June 2026 and are labelled accordingly; they are presented as evidence of GHAM's ICARA methodology and process, consistent with the requirement to disclose the firm's approach to assessing compliance with the overall financial adequacy rule.

Board statement

The content of the FY26 ICARA has been reviewed and approved by the GHAM Board, which considers the ICARA process to be fit for purpose. As at 30 June 2026 and throughout the forecast period, GHAM has sufficient financial resources to meet its own funds and liquid assets threshold requirements. Under the base case and severe-but-plausible stresses through FY29, GHAM is forecast to remain above its internal recovery and wind-down triggers.

Assessment A and Assessment B

Under MIFIDPRU 7.4.7R, GHAM's own funds Threshold Requirement is the higher of Assessment A (an ongoing-activities assessment combining the Pillar 1 K-factor requirement with additional own funds for stress testing and firm-specific material harms) and Assessment B (the resources needed to fund an orderly wind-down, benchmarked against the Pillar 1 Fixed Overheads Requirement).

Component	Assessment A — ongoing activities (£'000s)	Assessment B — wind-down (£'000s)
Pillar 1 requirement (K-factor / FOR)	144	8,058
Additional own funds — operational-risk plausible harms and all-AuM proxy	6,582	—
Additional own funds — stress testing (Harm / Reputation / Stretch-VCT cases)	0	—
Additional own funds for orderly wind-down	—	0
Total	**6,726**	**8,058**

Assessment B is higher and is therefore the binding Threshold Requirement: £8,058k. GHAM must notify the FCA if Own Funds fall below the 110% Early Warning Indicator of £8,864k.

Stress testing summary

The FY26 ICARA modelled a base case and four severe-but-plausible stress scenarios (Harm Case, Reputation Case, Stretch/VCT Case, and Orderly Wind-Down), using the largest monthly operational cash outflow in each case as the Pillar 2 liquidity metric. None of the modelled scenarios generates an additional own funds requirement above the binding Assessment B threshold; the Reputation Case records a small after-tax loss in 2029 but projected eligible own funds remain substantially above the threshold throughout the forecast period.

Stress test scenario	Additional own funds required	Largest monthly outflow
Base Case	£0	£3,132,951
Harm Case	£0	£3,301,795
Reputation Case	£0	£3,449,750
Stretch / VCT Case	£0	£3,301,795
Orderly Wind-Down	£0	£4,747,756
Worst case result	**£0**	**£4,747,756**

4.3. Liquid assets requirement

As a dual-regulated firm — an AIFM with additional MiFID top-up permissions to act as a delegated Investment Manager and Adviser — GHAM is required under AIFMD rules to hold liquid assets at least equal to its Own Funds Fixed Overheads Requirement. GHAM calculates a MiFID ICARA liquid assets requirement (Pillar 1 Basic Liquid Assets Requirement, plus a Pillar 2 assessment of resources needed to fund ongoing activities under the firm's most severe modelled scenario) and compares this against the AIFMD requirement, holding liquid assets to meet the higher of the two:

Component	31 DEC 2025 (£'000s)
Pillar 1: Basic Liquid Assets Requirement (one third of the Fixed Overheads Requirement, per MIFIDPRU 6.2.1R(1): no guarantees provided to clients)	2,686
Pillar 2: additional liquid assets (worst-case monthly outflow — Orderly Wind-Down scenario)	4,748
Total MiFID ICARA liquid assets requirement	7,434
AIFMD liquid assets requirement (= Fixed Overheads Requirement)	8,058
Minimum liquid assets (higher of MiFID ICARA or AIFMD)	**8,058**

The AIFMD basis is higher and is therefore binding. GHAM meets this through a combination of cash and other eligible liquid assets:

Composition of liquid assets held	31 DEC 2025 (£'000s)
Cash (Pillar 1: BLAR)	2,686
Other eligible liquid assets	5,372
Total liquid assets held against the threshold	**8,058**

4.4. Reconciliation of own funds

Within the Group consolidation, sources of own funds ('capital resources') qualify as common equity tier 1 ('CET1') capital — the highest form of capital, consisting of share capital, share premium and retained profit. The Group has no innovative Tier 1 capital instruments or deductions. GHAM maintained at all times capital resources equal to or in excess of the MIFIDPRU requirements during the 12-month accounting period to 31 December 2025.

The table below reconciles GHAM's regulatory own funds to the balance sheet in GHAM's audited financial statements for the year ended 31 December 2025 (signed 24 April 2026):

Reconciliation of regulatory own funds to the audited balance sheet	Amount (£'000s)	Notes
Intangible assets	21,853.5	Note 8
Investments	11,764.3	Note 9
Debtors: amounts falling due within one year	13,752.4	Note 10
Debtors: amounts falling due after more than one year	96,669.5	Note 10
Prepayments and accrued income	14,178.4	Statement of financial position
Cash at bank	6,426.2	Statement of financial position
Total assets	**164,644.3**	**Statement of financial position**
Creditors: amounts falling due within one year	(25,429.4)	Note 11
Provisions for liabilities	(2,352.5)	Note 12

Reconciliation of regulatory own funds to the audited balance sheet	Amount (£'000s)	Notes
Net assets	**136,862.4**	**Statement of financial**
Called up share capital	43,199.6	Note 13
Retained earnings	93,662.8	Note 14
Total shareholders' equity	**136,862.4**	**Statement of financial position**

The composition of regulatory own funds actually reported is:

Composition of regulatory own funds	Amount (£'000s)	Source based on reference within the audited financial statements
OWN FUNDS	**115009**	
Tier 1 Capital	**115009**	
COMMON EQUITY TIER 1 CAPITAL	**115009**	
Ordinary shares	43,199.6	Note 13
Share premium	—	
Retained earnings brought forward	93,662,8	Note 19 (prior year restatement)
Accumulated other comprehensive income	—	
Other reserves	—	
Total CET1 capital before deductions	**136,862.4**	
Less: intangible assets	(21,853.5)	Note 8
CET1: other capital elements, deductions and adjustments	—	
Eligible CET1 capital	**115,009**	
Additional Tier 1 Capital	—	
Fully paid up, directly issued capital instruments	—	
Share premium	—	
(-) Total deductions from Additional Tier 1	—	
Additional Tier 1: other capital elements, deductions and adjustments	—	
Tier 2 Capital	—	
Fully paid up, directly issued capital instruments	—	
Share premium	—	
(-) Total deductions from Tier 2	—	
Tier 2: other capital elements, deductions and adjustments	—	
Total Own Funds	**115,009**	

5. Remuneration Policy

5.1. Qualitative disclosures

GHAM maintains a formal Remuneration Code Policy under the FCA Senior Management Arrangements, Systems and Controls Sourcebook (SYSC), including the applicable UK AIFM and MIFIDPRU remuneration requirements. The policy incorporates sustainability risks and explains how remuneration is consistent with their integration, in accordance with Article 5 of Regulation (EU) 2019/2088, the Sustainable Finance Disclosure Regulation (SFDR).

The remuneration policy was refreshed during 2026 to make explicit the integration of sustainability risks in investment-related remuneration, bonus pool determination, individual performance assessment and long-term incentives. This section includes the refreshed policy requirements; the quantitative information in Section 5.2 continues to relate to the year ended 31 December 2025.

Remuneration approach: GHAM adopts a comprehensive and fair remuneration approach for all staff, aligning with regulatory requirements and promoting a culture of responsible compensation, with the aim of rewarding performance, retaining talent, and maintaining a strong risk management framework.

Financial incentive objectives: GHAM's financial incentives are designed to encourage and motivate staff to achieve long-term sustainable growth while managing risks effectively, promoting a focus on client interests, ethical behaviour, and the firm's overall performance.

Decision-making procedures and governance

GHAM applies the Gresham House Remuneration Code Policy, applicable to the UK parent entity (Gresham House Limited) together with all relevant financial undertakings within the Group. The Policy has been approved by the Group Remuneration Committee and the GHAM Board. The Board and Committee oversee its periodic review and consistency with sound risk management, including the integration of sustainability risks.

(a) Remuneration Committee: the GHAM Board, in conjunction with the Group Remuneration Committee, is responsible for establishing GHAM's remuneration structures, and is subject to the Gresham House Group's Remuneration Policy, which complies with the Remuneration Code in relation to the size, nature, scope and complexity of GHAM's activities.

(b) External consultants: GHAM engages external consultants with expertise in remuneration practices to assist in the development of its policies, ensuring an unbiased and informed approach to the design and evaluation of the remuneration framework.

Material Risk Takers (MRTs)

MRTs are identified by reference to authority and responsibility rather than title or role, encompassing: members of the management body and senior management; staff with managerial responsibility for regulated activities (arranging deals, dealing as agent or principal, managing investments, advising on investments, or operating an organised trading facility); staff with managerial responsibility for control functions or for the prevention of money laundering and terrorist financing; staff responsible for managing a material risk within the firm, or for IT, information security or outsourcing of critical or important functions; and staff with authority to approve or veto new products. GHAM considers each individual's ability to impact operational procedures and controls, the market in which GHAM operates, the conduct and culture of the firm, and its financial standing and capital requirements.

Remuneration composition

Remuneration comprises fixed pay (base salary, benefits and pension) and variable performance-related pay (annual bonus, long-term incentive plans, carried interest and performance fees), assessed against financial and non-financial performance criteria and alignment to risk profile.

GHAM operates a discretionary bonus scheme providing a performance-related bonus based on Group, divisional and individual performance, for which all permanent staff are eligible. GHAM considers current and future risks, including the cost of capital and the firm's liquidity, when determining the variable remuneration pool. This includes financial risks and non-financial risks such as sustainability risks, risk to values, strategy or reputation, poor conduct and poor customer outcomes. The sustainability criteria affecting remuneration are explained below.

All variable remuneration is subject to in-year adjustment or clawback, applying specifically where an AIFMD Remuneration Code Staff member or MRT was involved in, or responsible for, conduct that caused the firm financial loss, or failed to meet fitness and propriety standards (including fraud or negligence against the firm, its clients or services). For MIFIDPRU purposes, GHAM falls within the size-based exemption in SYSC 19G.1.1R(2) from mandatory deferral. Severance payments must adhere to contractual entitlements and relevant incentive plan rules, determined by reference to performance over time, and must not reward failure or misconduct.

Integration of sustainability risks under SFDR

GHAM's remuneration arrangements must promote sound management of sustainability risks and avoid incentives for excessive risk-taking. Sustainability risks are environmental, social or governance events or conditions that could cause an actual or potential material reduction in investment value. The requirements below apply to relevant staff and incentive arrangements, proportionately to their responsibilities and the risks of the funds and mandates concerned.

Investment process and fund alignment

Sustainability risks must be considered during investment due diligence, investment decisions, ownership, monitoring and exit. For each relevant fund or mandate, the investment team, supported by Sustainability and the control functions, must document the applicable sustainability commitments, restrictions and material risk indicators. These must inform relevant performance objectives and remuneration assessments and remain consistent with the fund's investment strategy and SFDR disclosures.

Bonus pool determination

Company and divisional objectives used to determine variable remuneration pools must include explicit, relevant sustainability objectives approved through the remuneration governance process. Achievement of these objectives, management of material sustainability risks and any material failures must be considered alongside financial performance, capital and liquidity. Sustainability performance may reduce the pool; financial performance alone must not override material sustainability or conduct failures.

Individual performance assessment

Role-specific objectives must include sustainability-related behavioural criteria, including adherence to sustainability policies, quality of risk assessment and monitoring, timely escalation, compliance with binding commitments, and accurate reporting. Human Resources and management, with input from Sustainability, Risk Management and Compliance, must document the assessment measures, evidence and influence on individual awards. Control-function objectives must remain independent of the business areas overseen.

Long-term incentives and carried interest

Long-term incentive and carried-interest arrangements, where offered, must support sustained, risk-adjusted value creation for clients and shareholders. Award, performance, vesting and payment conditions must take account of material sustainability risks and relevant fund commitments. Applicable plan rules and adjustment provisions must prevent rewards for value creation arising from misconduct, misleading sustainability information or material breaches of those commitments.

Risk adjustment and oversight

Material sustainability-risk management failures must inform bonus decisions and in-year adjustment, malus where applicable and clawback under the relevant award terms. The GHAM Board and Group Remuneration Committee oversee this framework, supported by Human Resources, Sustainability, Risk Management and Compliance. Reviews must record the criteria applied, material incidents, remuneration decisions and any resulting adjustments.

Transparency and review

Under Article 5 SFDR, GHAM must publish information explaining how its remuneration policy is consistent with sustainability-risk integration on its website. The explanation must reflect the arrangements actually applied and be consistent with relevant fund disclosures and information provided for oversight. The policy and public information must be reviewed at least annually and updated following material changes.

5.2. Quantitative disclosures

GHAM does not directly employ any staff. For this disclosure, staff includes employees of the Group who perform activities on behalf of the firm, employees of joint service companies and secondees. The scope is assessed by reference to the activities performed for GHAM and the broad interpretation of staff in SYSC 19G.1.24G. Consistent with FCA Policy Statement PS21/9, where MRTs provide services to more than one Group company, GHAM does not apportion MRTs' remuneration, and discloses total remuneration for each natural person without apportionment. The figures below relate to remuneration awarded for FY2025.

Category	No. of MRTs	Fixed remuneration (£)	Variable remuneration (£)	Total remuneration (£)
Senior management	15	3,413,045	3,103,946	6,516,991
Other material risk takers	29	4,139,149	2,275,839	6,414,988
Total MRTs	**44**	**7,552,194**	**5,379,785**	**12,931,978**
Other staff	170	12,346,561	4,460,815	16,807,376
Total staff	**214**	**19,898,755**	**9,840,600**	**29,739,355**

No guaranteed variable remuneration was awarded during the year (2024: none):

Category	No. of individuals	Guaranteed variable remuneration awarded
Senior Management	-	-
Other Material Risk Takers	-	-

No severance payments were awarded during the year (2024: one Senior Management severance payment of £32,616):

Category	No. of individuals	Severance payments awarded
Senior Management	-	-
Other Material Risk Takers	-	-
Highest severance payment awarded to an individual MRT	-	-