

PICTET ALTERNATIVE ADVISORS

Pictet Alternative
Advisors (UK) Limited
MIFIDPRU8 Disclosure

2025

REMUNERATION

Pictet Alternative Advisors (UK) Limited (“PAA Limited”) is authorised and regulated by the Financial Conduct Authority (“FCA”). PAA Limited is a MIFID investment firm and was therefore subject to the FCA’s MIFIDPRU Remuneration Code (“the Code”) for the 2025 performance year. As a SNI firm, PAA Limited is subject to the ‘basic’ remuneration requirements of the Code and this disclosure has been prepared in line with the provisions for SNI firms.

Remuneration Approach

PAA Limited’s remuneration procedures and practices align individuals’ pay with the interests of our clients and the long-term performance of the business. The remuneration policy aims to motivate senior management and all employees in delivering PAA Limited’s strategy while ensuring that the business performance is sustainable over the long-term and aligned with effective risk strategy and appetite, not encouraging excessive risk-taking. The remuneration policy and PAA Limited’s remuneration procedures and practices are inclusive, regardless of gender or other personal characteristic. Likewise, attention is paid to ensure equal pay for equal work or work of equal value.

The key principles that underpin PAA Limited’s overall approach to remuneration are:

- a. Remuneration decisions are based on a sound and effective risk management approach that protects investors, PAA Limited and employees;
- b. Incentives are designed to encourage behaviour focused on long-term strategic performance and ensure compliance with regulatory and legal frameworks;
- c. Incentives will be aligned with PAA Limited’s strategy, culture, and objectives, including quantitative and qualitative performance measures;
- d. Fairness and equity in remuneration decisions that are based on a rigorous performance assessment;
- e. Individuals are valued and rewarded competitively against external market peers;
- f. Remuneration practices must not encourage excessive risk-taking; and
- g. Managing conflicts of interests to encourage responsible business conduct.

Governance

Pictet Alternative Advisors (“PAA”) has a Remuneration Committee which is delegated responsibility for remuneration matters by PAA’s Executive Committee. This includes remuneration matters related to PAA Limited. The Remuneration Committee is guided by its Terms of Reference.

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 PAA Limited. The Remuneration Committee aims to meet two times per year. The Remuneration Committee is currently comprised of the PAA CEO, PAA Chief Financial Officer, Group Global Head of Rewards and the Group Head of Human Resources.

The Remuneration Committee ensures that remuneration policies and outcomes take appropriate account of all relevant current and future risks. In setting policy and reaching its decisions, the Remuneration Committee will take input from Human Resources (“HR”), Finance, Risk and Compliance. It will also have regard to PAA Limited’s business strategy, the remuneration policy of the Pictet Group, the external competitive markets and relevant legislation, regulation, and corporate governance. Independent

oversight is provided by the Partners of the Pictet Group who oversee remuneration policies and procedures and provide oversight of remuneration decisions.

To manage any potential conflicts of interest arising, the Remuneration Committee ensure that no individual is involved in discussions on their own remuneration arrangements.

PAA Limited's remuneration policy is reviewed on an annual basis. Responsibility for ensuring the remuneration policy is implemented appropriately lies with the PAA Executive Committee.

Elements of remuneration

PAA Limited endeavours to make the most appropriate use of, and strike the proper balance between, the different elements of fixed and variable remuneration for every employee in the form of a total compensation package, which should be proportionate to the individual's function, profile, contribution, and results. Individual compensation packages are adapted over time, both upwards and, potentially, downwards, reflecting the development of external markets, results, and the role, profile, and performance of the employee.

Set out below is a brief overview of the eligibility, purpose, and operation of the different elements of remuneration operated by PAA Limited:

Fixed remuneration

Base Salary

All employees receive a base salary which rewards employees for performing day-to-day responsibilities reflecting their function's characteristics, their unique set of competencies and geographic location. Base salary is reviewed annually and benchmarked against external market data, where suitable data is available.

Benefits and pension

A number of benefits are offered to employees influenced by local market practice and regulations. PAA Limited strives to ensure that benefits are part of an overall philosophy on retirement and risk insurance in line with the business values, strategy, objectives, and long-term interests of PAA Limited.

No enhanced pension benefits are provided to employees.

Variable remuneration

Performance bonus

PAA Limited operates a number of performance bonus schemes that are discretionary in nature. All permanent PAA Limited employees are eligible for a performance bonus. A full account of relevant financial and non-financial objectives is taken which ensures that individual performance is not only measured on what they are achieving but also how this is achieved. Financial objectives are role dependant and can include team and company financials and/or investment performance outcomes as relevant. These are taken account of on a discretionary basis as appropriate with no formulaic link. Non-financial objectives are considered in line with the Pictet Group guiding principles and expectations of individuals from a risk and control perspective. They can include areas such as diversity, equality and inclusion; management and leadership; collaboration; teamwork; environmental, social and governance; and other individual objectives.

Remuneration outcomes can be adjusted to take account of any risk and compliance concerns or an individual's involvement in a material risk event.

The ability of PAA Limited to pay bonuses, is based on the performance of PAA Limited overall and the respective business unit, as well as that of the Pictet Group. Before any variable remuneration is awarded, the PAA Chief Financial Officer reviews the total cost of compensation outcomes and confirms to the Remuneration Committee that they are appropriate in the context of the company's performance and financial results and that the outcomes do not limit PAA, including PAA Limited's, ability to strengthen its capital base.

Pictet "Parts" profit sharing scheme

As part of the Pictet Group's long-term strategy, the "Parts" system is based on a partnership philosophy that enables the majority of employees to have a share in the Pictet Group's profits, while at the same time helping to align their interests with those of the Pictet Group and its owners. Under the "Parts" system, an employee is allocated a number of units or "Parts". Participants receive a share of the Pictet Group profit pool value based on their unit allocation.

Admission to the "Parts" system and the number of "Parts" attributed to an individual participant is based on the role of the individual, their functional responsibilities, the activities that they undertake and their level of experience that they bring to the organisation. The number of "Parts" is not automatically renewed each year and may be adjusted (upwards or downwards) to recognise significant changes in role, function, or responsibilities or to reflect the performance of an individual (against both financial and non-financial criteria).

Taking part in the "Parts" system in no way guarantees the effective payment of "Parts", neither in principle nor in amount. Payment is made on the condition that the Pictet Group has generated a sufficiently high annual net profit or that the undistributed profits constitute a sufficient amount. Given the value of a "Part" is based on the Pictet Group's financial results, PAA Limited's financial performance is included. A significant downturn in PAA Limited's financial performance would have a negative impact on the value of a "Part".

Guaranteed variable remuneration

PAA Limited offers guaranteed bonuses in exceptional cases to newly recruited employees and only for a period of up to the first 12 months of employment. All guaranteed variable remuneration is subject to performance adjustment. Guaranteed bonuses are reliant on PAA Limited having a sound capital base.

Other remuneration

Severance pay

PAA Limited rewards sustained performance over time and decisions on pay are strongly based on differentiation both for sustained performance and appropriate behaviour. Therefore, any payments related to early terminations are designed to ensure compliance with regulatory practice and do not reward failure or misconduct. There is no contractual right for any individual to receive a termination payment.

Managing Risk

The PAA Chief Risk Officer annually reports to the Remuneration Committee on matters in relation to PAA Limited's remuneration policy, incentive scheme design and operation in the context of PAA's risk tolerance and the year-end compensation review process. This includes issues to be taken into account when assessing remuneration decisions. This results from the rigorous assessment of current and future

risks and whether there has been any risk related incidents that require adjustment of remuneration outcomes (at a PAA wide, business unit, entity, team, or individual level).

Quantitative remuneration disclosure 2025

The aggregate remuneration for the financial year ended 31 December 2025 is as follows:

Total remuneration awarded (£MILLION)

	ALL STAFF
Fixed remuneration	6.1
Variable remuneration	5.9
Total remuneration	12.0

Total remuneration includes:

- Base salary paid in 2025;
- Allowances, employer pension contribution and benefits paid in 2025;
- Annual bonus awarded for the 2025 performance year, including guaranteed variable remuneration or forfeited awards awarded in relation to the 2025 performance year;
- Pictet “Parts” awarded for the 2025 performance year; and
- Severance payments made in 2025.

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