



Remuneration Policy Statement (All Employees)
8AM Global Ltd. FCA No. 937456. Investment Management
2023

Background

The 8AM Global Limited (8AM) Remuneration Policy covers the performance year which is 1st July to 30th June and will be reviewed on an annual basis.

The policy includes both fixed and variable remuneration and sets out 8AM's approach to remuneration with regards to all staff including Executive Directors, Non-Executive Directors, and Material Risk Takers (MRTs, as defined in SYSC 19G.5.1R).

Purpose

The policy seeks to contribute towards achieving 8AM's strategic objectives by attracting, appointing, motivating, and retaining key talent while meeting its regulatory and legal requirements. It aims to ensure its remuneration practices are transparent and structured to reward long-term performance and sound risk management in a way which is consistent with 8AM's culture. By achieving this it aligns the long-term interest of both stakeholders and employees and helps ensure the sustainable long-term success of 8AM.

Remuneration Code

The policy has been drafted in accordance with the MIFIDPRU Remuneration Code (SYSC 19G) as set out in the Financial Conduct Authority (FCA) Handbook. In addition, 8AM places great importance on its staff contributing to 8AM's positive firm culture and values.

Responsibility

The 8AM Board adopts and annually reviews the Remuneration Policy and have overall responsibility for overseeing its implementation.

8AM is too small to have a Remuneration Committee. Remuneration governance and oversight arrangements are managed within the Management Committee and Board of Directors who oversee the implementation of the firm's remuneration policy for all employees.

Application

The Remuneration Policy applies to all 8AM employees. Eligibility for specific benefits is dependent on the employee's level of seniority and experience. The Management Committee ensures that the policy operates in a non-discriminatory manner. Employees are separated into Senior Management Function (SMF), Material Risk Takers (MRT) and other staff.

MRTs

8AM and each of its subsidiaries are required to identify and maintain a record of their MRTs. All MRT's will receive written notification of their status together with the obligations associated with this. Human Resources maintains a record of all MRTs which is kept for six years, once the MRT leaves the organisation.

The Management Committee will assess which of its members of staff are MRTs on an annual basis, and it will update its assessment as required throughout the year.

Performance framework

The performance framework involves measuring the actual financial performance of 8AM against an annual budget of planned performance. The budget is assessed across a range of financial metrics and takes into consideration the risk appetite of the business.

The budget is set at the beginning of each financial year between all members of the Management Committee and then presented to the 8AM Board for approval.

Where performance exceeds the budget, appropriate provisions may be made to pay bonuses at an agreed budgeted level. These are payable at the end of each financial year or half year. If there is any underperformance, then the bonus provision is reduced to a level where the financial under performance exceeds the budgetary agreed bonus provision. If there is an overperformance it is at the 8AM Board's sole discretion to pay any additional non budgeted bonus.

As a regulated entity 8AM employees are subject to requirements of the firms Training & Competence Scheme as well as the Senior Managers & Certification Regime and Code of Conduct Rules. There is a formal feedback and appraisal process in place which helps Tatton to nurture a committed, engaged, and high performing team focused on delivering excellent customer outcomes.

To ensure that employees are not discriminated against on grounds of their age, employees are not paid by reference to their length of service.

Fixed and variable remuneration

8AM sets remuneration to enable it to attract, motivate and retain the people it needs for each phase of its growth. All employees are entitled to certain contractual benefits which include salary and various benefits which are reviewed from time to time.

There are specific Bonus Schemes related to specific employees and all eligible employees are entitled to participate in them. They are discretionary, cannot be guaranteed nor considered as a contractual benefit as it is based on the performance of 8AM, the relevant business unit and the employee.

In taking any remuneration decisions 8AM seeks to ensure an appropriate ratio between the fixed and variable components of total remuneration and to ensure that:

- fixed and variable components of total remuneration are appropriately balanced, and
- the level of the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable component.

Pay levels across gender are reviewed periodically by the 8AM Management Committee to determine whether there are any gender pay gaps. If any are identified 8AM Group will take steps to identify factors contributing to the gap and take mitigating action.

Fixed remuneration

The main component of fixed remuneration is salary. 8AM recognises that basic fixed remuneration primarily reflects an employee's professional experience and organisational responsibility, as set out in the employee's job description and terms of employment.

The Group's overall approach to fixed remuneration includes:

- Salaries being reviewed annually, typically between February – March and made effective in April of that year.
- The Management Committee is responsible for approving an overall budget for the annual employee increase.

- Individual salary awards are determined following assessment of personal performance and consultation with line managers whilst also referencing where available salary survey and/or market data, ensuring that salaries are commensurate with the job performed, and are in line with comparable market rates, as far as possible.

In addition to salary the Group offers a range of additional benefits which include:

- Pension
- Private Healthcare Cover

All 8AM permanent members of staff i.e., having successfully completed a six-month probationary period are eligible for these benefits.

Promotions are considered as part of the annual review process. In the event an employee is promoted, they will be entitled to receive those benefits associated with the new role (where applicable).

Variable remuneration

Variable remuneration reflects the long-term performance of the employee as well as performance which is more than that required to fulfil the employee's job description and terms of employment.

Bonus Schemes

8AM Group has one General Bonus Scheme' available to all 8AM employees.

Participation

All employees are eligible to participate in the Bonus Schemes with the following exceptions:

- Non-Executive Directors
- those under notice (whether given or received) at the time the Bonus Award is made.
- those subject to disciplinary actions and/or performance management; and
- other such criteria which may be included at the discretion of the Group from time to time.

The formula applied to Bonus Awards is not a set percentage of a salary and generally does not or have a specific formula related to it. Bonus payments are typically below 25% of annual

salary and are capped at 12 months' salary without exception for all employees (excluding the Executive Directors).

The methodology used to determine an individual Bonus Award is dependent on the performance as assessed at an individual level, as a starting point. Any adjustment to this is made through consultation with the relevant departmental manager.

The Group is obliged to treat all employees the same. For those employees who have worked part of the year, their performance is assessed in the normal way, and they may be eligible to receive a bonus award on a pro rata basis. The same process will apply to those on unpaid leave, long term sickness, maternity, and shared parental leave.

The bonus pool is set through the annual budgetary process and is based on delivering the strategic aims of the business.

Total variable remuneration is discretionary. All Bonus Awards vest only if it is sustainable according to the financial situation of 8AM and justified based on its performance, that of the business unit and the individual employee concerned. The total variable remuneration will be reduced where the financial performance of 8AM is subdued or negative.

Pension

8AM's pension policy is flexible and enables individuals to make separate contributions to their own personal pension plan or the specific pension scheme which includes the statutory auto enrolment scheme which is available to all employees.

Individual remuneration & eligibility

Both financial and non-financial criteria are considered when determining discretionary bonus awards, pay increases and promotions. In respect of financial criteria and eligibility for variable remuneration the over-riding consideration will always be 8AM's ability to pay a bonus award in the first instance and, the size of the bonus pool will help determine how it is allocated.

For non-financial criteria and eligibility, the individual must ensure that (for the performance year):

- They have not failed to follow any internal controls and procedures in relation to risk management that have caused (in part or in full) any material risk failure in Tatton or the wider Group; and
- They have not been subject to a formal disciplinary process.

Annual remuneration review process

The Management Committee undertake an annual review to ensure that the remuneration practices comply with the Remuneration Policy.

Board members & Executive Directors remuneration

Here the remuneration structure is set by the Board. A review is carried out each year.