



ACADIAN ASSET MANAGEMENT (UK) LIMITED ('THE FIRM')

MIFIDPRU 8 REMUNERATION DISCLOSURE

For the year end 31 December 2025

1 BACKGROUND INFORMATION

1.1 Introduction

This disclosure is made in relation to Acadian Asset Management (UK) Limited ("the Firm"). The Firm is authorised and regulated by the UK Financial Conduct Authority ("FCA"), Firm Reference No. 460224, as a Markets in Financial Instruments ("MiFID") firm and subject to the rules and requirements of the FCA's Prudential Sourcebook for MiFID Investments Firms ("MIFIDPRU"). For the purposes of MIFIDPRU, the Firm has been classified as a non-small non-interconnected investment firm ("non-SNI").

The Firm is subject to the MIFIDPRU Remuneration Code set out in SYSC 19G of the FCA Handbook and has established remuneration policies and practices in accordance with its requirements. As a non-SNI Firm, the Firm is also required under MIFIDPRU 8.6 to publicly disclose qualitative and quantitative information concerning its remuneration policies and practices. This document sets out the Firm's remuneration disclosures under MIFIDPRU 8.6 for the year ended 31 December 2025.

The Firm is a wholly owned subsidiary of Acadian Asset Management LLC ("Acadian LLC"), a Boston-based investment adviser registered with the U.S. Securities and Exchange Commission ('SEC'), which offers asset management services to professional investors managing both equity and alternative strategies. All strategies are integrated with sustainable investing capabilities and are based on solid data-driven research and innovation from experienced investment specialists.

The Firm is not a member of a UK Consolidation Group. The disclosure has been prepared on an individual basis in respect of the Firm and in accordance with MIFIDPRU 8.1.7R.

The Firm believes that its qualitative disclosures are appropriate to its size and internal organisation, and to the nature, scope and complexity of its activities.

This disclosure has been ratified and approved for disclosure by the Board of the Firm.

The annual audited accounts of the Firm set out further information which complements the information in this disclosure. The audited accounts are freely available from UK Companies House.

This document does not constitute any form of financial statement on behalf of the Firm. The information contained herein has been subject to internal review but has not been audited by the Firm's external auditors.

There have been no material changes to the previous disclosure.

12 Objectives

The objective of this disclosure is to provide transparency on the Firm's remuneration policies and practices for the financial year ended 31 December 2025, which is the Firm's accounting reference date.

As a MIFIDPRU investment firm, we are required to provide to investors, stakeholders and wider market participants information on the Firm's approach to its remuneration policies and procedures and the related governance and decision-making arrangements.

13 Disclosure timing requirements

In accordance with MIFIDPRU 8.1.10R, the Firm is required to publicly disclose the information specified in this Policy on an annual basis on the date it publishes its annual financial statements.

The Firm will consider making more frequent public disclosures where particular circumstances demand it, for example, in the event of a major change to its business model or where a merger has taken place.

2 RISK MANAGEMENT

In accordance with MIFIDPRU 8.2, the Firm is required to make certain disclosures in relation to its risk management practices and certain risk categories as outlines below.

21 Own funds requirements – MIFIDPRU 4

When assessing the adequacy of the Own Funds Requirement, the Firm has considered the key risks to the Firm's operating model. Due to our prudential classification as a Non-SNI, the Firm's own funds requirement is based on the higher of the Permanent Minimum Requirement ('PMR'), the Fixed Overheads Requirement ('FOR') or the K-Factor Requirement ('KFR'). The Firm's FOR as at the Firm's year-end 31 December 2025 is £3,218,412.

22 Concentration risk- MIFIDPRU 5

The Firm does not conduct trading on own account and does not have regulatory permissions for dealing as principal. The Firm therefore does not have any concentration risks on or off-balance sheet and does not operate a trading book.

23 Liquidity risk - MIFIDPRU 6

The Firm maintains minimum liquidity at all times in compliance with the Basic Liquid Asset Requirement, being at least 1/3rd of its FOR.

As part of the Internal Capital Adequacy and Risk Assessment ('ICARA'), the Firm also maintains liquidity to satisfy its net wind-down costs and any additional liquidity requirements which the ICARA identified for supporting the ongoing business activities of the Firm.

24 Potential for Harm associated with the Firm's business strategy

The Firm has conducted a comprehensive risk identification exercise of potential harms in line with MIFIDPRU 7 Annex 1 across all business lines to ensure that all significant risks are identified. The Firm has developed a comprehensive Risk Register containing all relevant details for each risk that has been identified. All business areas of the Firm have input into the development of the risk register to ensure all areas of potential harm are identified. All risks recorded in the register are categorized in terms of potential harms to clients, the market, or the Firm itself. In line with the Firm's business strategy, risk appetite and risk management framework, the Firm identifies and further assesses key risks within the Firm's ICARA process. The Firm maintains a risk register which includes risk assessment and rating methodologies in accordance with its risk appetite statement.

3 GOVERNANCE ARRANGEMENTS

Given the Firm's size, internal organization and the nature, scope and complexity of the business activities undertaken, the Firm does not have a separate supervisory function or Remuneration Committee. The Remuneration policy's supervisory function is undertaken by the Firm's Governing Body, being the Firm's Board of Directors (the 'Board').

The Board is responsible for reviewing and approving the Firm's Remuneration Policy and its related disclosures, and for overseeing the Firm's remuneration practices to ensure that they are appropriately aligned with the Firm's risk tolerance and effective risk management. Further details on the Firm's remuneration practices are set out in section 6 below.

3.1 Directorships

The following information relates to the appointments of Acadian Asset Management (UK) Limited's Directors held in both executive and/or non-executive functions, including any Directorships held at external and/or commercial organizations as at 31 December 2025.

SMF Function/Role	Name	Number of other external directorships
SMF 1/ SMF 3	Ian Shea	none
SMF 3	Oliver Close	none
SMF 3	Olivier Systchenko	1

The Board meets regularly and at a minimum on a quarterly basis.

3.2 Diversity

The Firm values the innovation and creativity that diversity of thought brings to the organisation and understands that diversity, equality and inclusion play a critical role in establishing strong governance and maintaining a healthy culture from the top as part of delivering higher standards of conduct and success of the Firm. The Firm is committed to building a workforce that reflects all aspects of diversity and intersectionality to bring a range of perspectives, ideas and insights to everything the Firm does.

One of the Firm's objectives is to ensure that the composition of the Board is always suitable for it to be an effective decision-making body and to provide successful oversight and stewardship. Suitability of members of the Board is reassessed periodically, in line with the requirements of the SM&CR. The Directors are appointed in accordance with the following suitability criteria:

- Being of good repute;
- Being able to act with honesty, integrity and independence of mind;
- Overseeing, monitoring and challenging management decision-making effectively;
- Possessing sufficient knowledge, skills and experience to perform their duties;
- Being able to commit sufficient time to perform management body functions in a supervisory context;
- Not being restricted from taking up the position by any regulatory requirement.

The assessment of an individual's adequate knowledge, skills and experience will consider:

- The role and duties of the position and the required capabilities;
- The knowledge and skills attained through education, training and practice;
- The practical and professional experience gained in previous positions;
- The knowledge and skills acquired and demonstrated by the professional conduct of the member of the Board.

Recently, the Firm became a partner of the Diversity Project with Ian Shea joining the Advisory Council, Oliver Close joining the Steering Committee and various members of the Firm joining as workstream participants. Acadian is thrilled to partner with this organization to underscore our commitment to further progress diversity and inclusion in the investment industry.

4 OWN FUNDS DISCLOSURE

4.1 Composition of Regulatory Own Funds

The Firm's own funds consist exclusively of CET1 capital, as shown in the table below. As at the Firm's financial year end on 31 December 2025, the Firm complied with all capital requirements.

Composition of regulatory own funds

	Item	Amount (GBP thousands)	Source based on reference numbers/letters of the balance sheet in the audited financial statements
1	OWN FUNDS	7,239	
2	TIER 1 CAPITAL	7,239	
3	COMMON EQUITY TIER 1 CAPITAL	7,239	
4	Fully paid-up capital instruments	950	
5	Share premium	-	
6	Retained earnings	6,289	
7	Accumulated other comprehensive income	-	
8	Other reserves	-	
9	Adjustments to CET1 due to prudential filters	-	
10	Other funds	-	
11	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	-	
19	CET1: Other capital elements, deductions and adjustments	-	
20	ADDITIONAL TIER 1 CAPITAL	-	
21	Fully paid up, directly issued capital instruments	-	
22	Share premium	-	
23	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	-	
24	Additional Tier 1: Other capital elements, deductions and adjustments	-	
25	TIER 2 CAPITAL	-	
26	Fully paid up, directly issued capital instruments	-	
27	Share premium	-	
28	(-) TOTAL DEDUCTIONS FROM TIER 2	-	
29	Tier 2: Other capital elements, deductions and adjustments	-	

42 Reconciliation of regulatory own funds to balance sheet in the audited financial statements GBP (thousands)

The table below describes the reconciliation with own funds in the balance sheet as at 31 December 2025, where assets and liabilities have been identified by their respective classes. The information in the table below reflects the balance sheet in the audited financial statements.

Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements

		a	b	c
		Balance sheet as in published/audited financial statements	Under regulatory scope of consolidation	Cross-reference to template OF1
		As at period end	As at period end	
Assets – Breakdown by asset classes according to the balance sheet in the audited financial statements				
1	Tangible assets	1,434		
2	Investments	-		
3	Deferred Tax	279		
3	Debtors	7,680		
4	Cash	6,999		
	Total Assets	16,393		
Liabilities – Breakdown by liability classes according to the balance sheet in the audited financial statements				
1	Creditors	9,154		
	Total Liabilities	9,154		
Shareholders' Equity				
1	Called up capital	950		
2	Retained earnings	6,289		
Xxx	Total Shareholders' Equity	7,239		

5 OWN FUNDS REQUIREMENTS DISCLOSURE

5.1 Own funds requirement

The Firm's own funds consist exclusively of CET1 capital, as shown in the table below. As at the Firm's financial year end on 31 December 2025, the Firm complied with all capital requirements.

The Firm calculated its own funds requirements as a non-SNI firm in line with the rules and requirements in MIFIDPRU 4.3.

Own fund requirements as at 31 December 2025		£, '000
	Permanent Minimum Capital ("PMC")	75
	Fixed Overhead Requirement ("FOR")	3,218
	Total K-factor Requirement ("KFR")	514
	Sum of K-AUM, K-CMH and K-ASA	514
	Sum of K-COH and K-DTF	N/A
	Sum of K-NPR, K-CMG, K-TCO and K-CON	N/A
Minimum Own Funds Requirement (higher of PMC, FOR and KFR)		3,218

5.2 Compliance with Overall Financial Adequacy Rule

In line with the provisions relating to the Overall Financial Adequacy Rule ('OFAR') set out in MIFIDPRU 7.4.7R, Acadian Asset Management (UK) Limited is also required to disclose its approach to assessing the adequacy of the Firm's own funds.

ICARA process

Within the annual ICARA process, the Firm is required to identify and assess the following:

- any material/key risks that arise from its activities;
- any material harms that may be caused to the clients, the market or the Firm itself as a result of its activities; and
- whether, at all times, the Firm has sufficient own funds and liquid resources to meet the Overall Financial OFAR.

The OFAR requires that the Firm holds own funds and liquid assets which are adequate (both in amount and quality) to ensure that:

- the Firm can remain financially viable throughout the economic cycle and be able to address any material potential harm; and
- the Firm's business can be wound down in an orderly manner with minimal impact on consumers and other market participants

The process of embedding the ICARA process within the Firm has been completed and the adequacy of the ICARA process will be reviewed on an annual basis thereafter, or more frequently, should there be any material change to the business risk profile or business model.

The ICARA process encompasses various aspects of internal governance with a particular focus on:

- identification, monitoring and mitigation of harms;
- business model planning and forecasting;
- recovery and wind-down planning; and
- assessing the adequacy of financial resources; and
- assessing the overall effectiveness of the risk management of the Firm.

As part of the ICARA process, the Firm establishes its own funds threshold requirement and its liquid assets threshold requirement to comply with the OFAR and to ensure the Firm can remain viable, addressing any potential harm from ongoing activities, and can wind-down in an orderly way. For harms not adequately mitigated through existing systems and controls, the Firm assesses whether additional own funds and/or liquid assets are required.

The recovery action planning contains appropriate recovery actions to restore own funds and/or liquid resources to avoid breaching threshold requirements and early-warning-indicators to assist the Firm when approaching trigger levels and set out credible actions to help reverse or

repair any adverse trends.

The wind-down planning includes triggers (own funds and liquid assets) and timelines. The Firm considers different scenarios that could cause a need to wind-down the business. These underlying drivers could result in the need for different resources (financial and non-financial) during the wind-down period. The Firm sets resources aside so that sufficient own funds and liquid assets are available at all times to enable an orderly wind-down.

Risk management

The Firm maintains a formally documented Risk Register that is established based upon the Firm's business plan and approved by the Board. Each risk within the Risk Register is cross-referenced to possible ICARA harms (client, market, firm) and assessed to determine its materiality to the Firm. It also includes a description of the controls put in place to mitigate the risk.

The Board defines the Firm's risk appetite, which reflects its appetite and/or tolerance in relation to all identified material risks and is therefore, aligned to the Risk Register. The Firm's overall risk appetite must be such that its own fund and liquidity requirements as captured in the ICARA process are maintained within its risk bearing capacity or capital resources. All material risks identified in the Risk Register are assessed to determine appropriate own funds and liquidity reserves. Regular stress testing and scenario analysis is undertaken to ensure these reserves are sufficient to meet current and future obligations under a variety of stressed conditions.

Own funds adequacy

Acadian Asset Management (UK) Limited assesses the adequacy of its own funds on a regular basis against a variety of own funds requirement assessments. In maintaining the Firm's own funds requirements within the risk appetite, early warning indicators have been established. These are agreed as part of the annual own funds planning process and reviewed annually.

Levels of own funds usage against limit are monitored annually.

Own funds adequacy

The Firm has an established liquidity risk management framework based on the Firm's approved liquidity risk appetite in order to ensure that:

- the basic liquid asset requirement ('BLAR') is met; and
- the liquid assets threshold requirement is determined.

The Firm further assesses its compliance with liquid asset threshold requirement which is based on the sum of BLAR and an additional liquid asset requirement determined during the ICARA process, to ensure liquidity adequacy in stressed conditions and during an orderly wind-down as part of its OFAR compliance from a liquidity perspective.

Liquidity risks are identified through ongoing liquidity management and monitoring, which contribute to the development of the Firm's liquidity risk management framework and formulating stress testing scenario design and key assumptions.

The Firm's monitoring and reporting of its liquidity position is undertaken through established reporting against the key liquidity metrics. Any triggers or breaches would be escalated in line with the escalation framework.

6 REMUNERATION DISCLOSURE

In accordance with the MIFIDPRU Remuneration Code (SYSC 19G), the Firm must establish, implement and maintain a gender neutral remuneration policy and practices ensuring equal pay for male and female workers for equal work or work of equal value¹ that are appropriate and proportionate to the nature, scale and complexity of the risks inherent in the business model and the activities of the Firm². Our remuneration policy and practices are gender neutral and do not discriminate against employees on the basis of gender or other characteristics.

21 Performance period

The Firm's performance period is from 1 January 2025 to 31 December 2025.

22 Approach to remuneration for employees

The Firm's remuneration approach is designed to support individual and corporate performance, encourage the sustainable long-term financial health of the business and promote sound risk management for the success of the Firm and to the benefit of its clients, counterparties and the wider market. Our remuneration approach promotes long-term value creation through transparent alignment with the corporate strategy.

Due to the Firm's team-based approach, no compensation is earned or paid to any MRT or other Firm employee, directly related or tied to the investment performance of any particular account. Compensation is determined based on each individual's contribution to the team and the Firm's performance as a whole. Thus, there is no direct incentive for any employee to increase the risk profile or tolerance of any account or process.

The Firm's Board believes the Firm's remuneration structure is appropriate for the business and the industry it operates in and is efficient and cost-effective in delivering its long-term strategy.

Our remuneration structure includes provisions that in specific circumstances, allow the Firm to forfeit or withhold all or part of any long-term incentive award, before it has vested and been awarded, and to recover sums already paid, should specific instances of malfeasance be identified. Further, the Firm can withhold discretionary variable compensation.

23 Financial incentives objectives

The objectives of the Firm's remuneration practices are as follows:

- The Firm undertakes to reward all employees fairly, regardless of job function, race, religion, colour, national origin, sex, sexual orientation, marital status, pregnancy, disability or age;
- It is the Firm's approach to operate competitive remuneration policies to attract, retain and motivate an appropriate workforce for the Firm;
- The Firm is also committed to ensuring that its remuneration practices encourage high standards of personal and professional conduct, support sound risk management and do not encourage risk taking that exceeds the level of tolerated risk of the Firm, and are aligned with the Firm's regulatory requirements;
- Rewards for all staff will be aligned to financial and non-financial performance criteria and risk profile, and in all cases will be in line with the business strategy, objectives, values, culture and long-term interests of the Firm;
- The Firm will not allow any unfair or unjust practices that have impact on pay;

The Firm undertakes, that it will not award remuneration using vehicles or methods the aim of which is to attempt to avoid application of the relevant FCA's Remuneration Code.

The Firm uses the following financial incentives:

- Discretionary bonuses;
- referral programmes;
- extra allowances;
- commissions;

¹ SYSC 19G.2.6R & SYSC 19G.2.7G

² SYSC 19G.1.26R & SYSC 19G.2.4R & SYSC 19G.2.5G

- profit shares;
- salary raises;
- long term incentives
- team retreats; and
- professional development opportunities.

Our financial incentives are designed to:

- raise employee satisfaction;
- recognise individual performance;
- attract and retain talent;
- encourage collaborative teamwork; and
- motivate staff to achieve Firm-wide objectives.

24 Components of remuneration

The Firm makes a clear distinction between the fixed and variable remuneration.

Fixed remuneration primarily reflects a staff member's professional experience and organizational responsibility as set out in the staff member's job description and terms of employment; and is permanent, pre-determined, nondiscretionary, non-revocable and not dependent on performance.

Variable remuneration is based on performance of the Firm and that of the individual staff member. It may reflect the long-term performance of the staff member as well as performance in excess of the staff member's job description and terms of employment. In exceptional cases, variable remuneration is based on other conditions. Variable remuneration includes discretionary pension benefits.

The Firm will ensure that the fixed and variable components of an individual's total remuneration are appropriately balanced. In determining this balance, the Firm considers the following factors:

- The Firm's business activities and associated prudential and conduct risks;
- The individual's role within the Firm;
- The impact that different categories of staff have on the risk profile of the Firm or of the assets it manages.

The variable remuneration an individual may be entitled to receive is not dependent on the amount of risk that individual may assume on behalf of the Firm. Further, the Firm will ensure it maintains a sound capital base prior to paying overall variable remuneration to staff. If deemed appropriate, only fixed remuneration will be paid.

25 Financial and non-financial performance criteria

The Firm takes into account both financial and non-financial criteria when assessing the individual performance of its staff. This aims not only to discourage inappropriate behaviours but also to incentivise and reward behaviour that promotes positive non-financial outcomes for the Firm.

The Firm uses the following financial performance criteria:

- Investment performance that exceeds specific benchmarks or return targets (not tied to any account but one input in a holistic assessment)
- Client cash flow and assets under management growth.
- Overall Firm and global company profitability.

The Firm uses the following non-financial performance criteria:

Incentive compensation awards and promotions are based on a holistic evaluation of each employee's performance and progressive career development. Our annual performance management process includes setting goals that are weighted at the start of each calendar year, a mid-year appraisal, and a year-end appraisal that assigns a performance rating for each employee based on individual goal achievement and core competency evaluation. In addition to the core competencies (i.e. Knowledge, Quality, Productivity, Innovation, Teamwork, Communication) that apply to all employees, certain teams may have additional role-specific competencies that are related to individuals' job duties and functions.

26 Awarded remuneration

The Firm has awarded the below amounts of remuneration to its senior management, MRTs and other staff.³

Table 1

Staff category	Remuneration type	£,'000
Senior management	Fixed remuneration	518
	Variable remuneration	2,859
	Total amount	3,377
Other MRTs	Fixed remuneration	
	Variable remuneration	
	Total amount	
Other staff	Fixed remuneration	2,785
	Variable remuneration	4,512
	Total amount	7,297

No guaranteed variable remuneration was awarded to individual material risk takers for the year.

27 Material Risk Takers ('MRTs')

The Firm has identified MRTs in accordance with SYSC 19G.5 and the qualitative criteria set out in SYSC 19G.5.3R, 19G.5.4RG and SYSC 19G.5.5G. In addition, as part of this Disclosure Policy, the Firm also draws from the Remuneration Policy which requires us to identify our MRTs on an annual basis. For the performance year 2025, the Firm identified 4 MRTs as employees whose professional activities are deemed to have a material impact on the risk profile of the Firm. All other members of staff at the Firm report to an MRT.

The following outlines the criteria for awarding guaranteed variable remuneration and severance payments:

The Firm typically awards guaranteed variable remuneration to an MRT only when:

- 1) it occurs in the context of hiring a new MRT;
- 2) it is limited to the first year of service; and

28 Severance Payments

The Firm follows all local statutory severance requirements. Severance payments made will not be disproportionate but will appropriately compensate the employee in cases of early termination of the contract. Severance payments do not reward failure and will not be awarded where there is a failure in risk management or conduct.

No severance payments were made by the Firm to any of the Firm's identified MRTs in 2025.

³ MIFIDPRU 8.6.8R (4)