MARATHON

Disclosures on Remuneration

FCA Remuneration Code

The FCA has implemented a "Remuneration Code" (the **"Code"**), incorporating different sets of remuneration requirements from applicable EU legislation. The Code applies in a proportionate manner to a range of regulated firms depending on their size and type.

In connection with Marathon's business, Marathon falls within the relevant Code's lowest proportionality tier as a Level 3 firm.

Marathon's remuneration arrangements

Marathon seeks to attract, develop, motivate and retain staff by linking reward to the achievement of individual & firm-wide goals and by providing the opportunity for all employees to contribute to, and share in, the firm's success.

Marathon is guided by market data, best practice and the requirements of the Code and in all respects aims to ensure our policies are consistent with effective risk management.

In complying with the Code, Marathon has implemented a Remuneration Policy which is aligned with the long-term nature of our business and the interests of our clients.

Decision-making process / Remuneration Committee

Marathon has a Remuneration Committee comprising an independent non-executive and the two executive founding partners.

The principle terms of reference for the Remuneration Committee include:

- Determining the framework and policy for remuneration and ensuring it does not encourage undue risk taking.

- Considering and advising on any major changes in remuneration structures. Reviewing the terms and conditions of any new incentive schemes and in particular, considering the appropriate targets for any performance-related remuneration schemes.

- Considering and recommending to the Executive Committee the remuneration policy for the senior employees of Marathon. In doing so, the Remuneration Committee will consider the appropriate mix of salary, discretionary bonus and share based remuneration.

In determining remuneration arrangements, the Remuneration Committee will give due regard to best practice and any relevant legal or regulatory requirements including the Code.

MARATHON

Link between pay and performance

Competitive salaries form the basis of the remuneration package. In addition, there is an element of variable pay for all staff which is contingent on firm-wide and individual performance. Whilst most of the variable reward components are awarded to employees across the firm, the structure, balance and quantum will differ. Variable remuneration is considerably reduced where subdued or negative financial performance of the firm occurs. When assessing individual performance, Marathon employs a thorough performance review process, with reviews including qualitative criteria and, in the case of staff with investment management responsibilities, long-term investment results are a significant factor in the assessment process.

Aggregate quantitative information on remuneration

The Code requires that the remuneration of all "Code Staff" of the firm be disclosed as part of its Pillar III disclosure. This includes the Executive Committee members and other members of staff whose actions have a material impact on the risk profile of the firm.

Marathon has calculated its aggregate quantitative information on remuneration inclusive of all elements of remuneration including partners' drawings and profit share (in other words the distributable profits of the firm). The firm has only one business area (asset management), so the disclosure below is not broken down further, pursuant to relevant regulatory requirements. In addition, all Code Staff of the firm are senior managers and thus no further breakdown by type of staff is needed. The aggregate quantitative remuneration for Marathon's Code Staff is as follows:

Marathon Asset Management LLP for the year ended 31/03/2019	£000s
Total remuneration	£122,591