

Remuneration policy and practices (MIFIDPRU 8.6)

Approach to remuneration

The LLP's senior management and Group Executive Compensation Committee ("ECC") are responsible for setting and implementing the remuneration policies of the firm, as a SNI Firm the Firm is subject to concise version of the requirements in the FCA's Remuneration Code for MIFIDPRU firms (the "Remuneration Rules").

The Firm has ensured that its procedures and practices are appropriate and proportionate to the nature, scale and complexity of the risks inherent in its business model and activities. More generally in complying with the Remuneration Rules, the Firm seeks to do so in a manner that is appropriate to

- its size and internal organisation; and
- to the nature, scope and complexity of its activities.

This Firm's remuneration procedures and practises apply to all staff, and have been set out separately below.

Objectives of financial incentives

General

The LLP's objectives of financial incentives can be summarised as follows:

- Individuals are rewarded based on their contribution to the overall strategy of the LLP; and
- Other factors such as performance, reliability, effectiveness of controls, business development and contribution to the LLP are taken into account when assessing the performance of the senior staff responsible for the infrastructure of the LLP.

Decision making process

The LLP's senior management and ECC perform periodic reviews of the policies and practises and are also responsible for setting the incentive bonus pool and how that incentive pool is allocated. The team ensures the program achieves the proper balance between the need to reward employees and the need to promote sound risk management. While the design of the compensation program is primarily performance-based, significant discretion is used to determine individual compensation according to the type of role undertaken and a number of performance factors including the achievement of the Firm's long-term strategic goals.

Components of remuneration

The LLP's remuneration included in this disclosure is made up of both fixed and variable remuneration.

Fixed Remuneration is permanent, pre-determined, non-discretionary, non-revocable and not dependent on performance. The LLPs fixed remuneration is made up of the following components:

- Base Salary
- Insurances and benefits (life insurance, critical illness, private medical)
- Pension

Variable Remuneration is any payments that are variable in nature, dependent on an individuals performance and other contributing factors. The LLP awards the following variable remuneration to its employees:

- Discretionary cash bonus
- Deferred Bonus
- Severance
- Assignment Bonus
- Completion Bonus

- Restricted stock units
- Carry awards
- Dividends

GCM Grosvenor's remuneration approach is designed to ensure organizational stability and retention of key employees through compensation packages that are attractive and competitive with industry standards. Employees are compensated in various ways, including salary, discretionary bonus, carried interest awards, and restricted stock unit awards. We believe this mix of both short- and long-term incentives help ensure appropriate retention and alignment with our clients. Annual salary increase levels and bonus payments are discretionary and are determined based on an employee's performance, their business/department's performance, and the overall success of the firm.

Performance criteria used for assessment

The LLP's remuneration policy clearly defines the performance criteria used across the firm, including specific business units, and for individual performance.

The remuneration decisions across the firm are made based on a combination of:

- The LLP's long-term sustainability and viability including looking through the business and economic cycles;
- the impact on GCM's Overall Financial Adequacy Rule and Threshold Conditions; and
- The LLP's business performance and results against its strategic objectives.

An individuals fixed and variable remuneration is based on a number of financial and non financial factors set out below:

- Individual performance for the year
- The level of responsibility an individual holds and seniority
- Contribution to the LLP's overall strategy
- Business development
- Client satisfaction
- Operational effectiveness
- Process enhancements
- Levels of co-operation
- Development of the firms reputation
- Individual compliance with business policies and procedures

Quantitative disclosure

Aggregated quantitative information for all remuneration paid to all staff was as follows:

Fixed Remuneration	2,354,698
Variable Remuneration	2,227,147
Total Remuneration	4,581,845

For the purpose of this disclosure staff includes both employees of the firm, senior management and partners.