

Brown Brothers Harriman Investor Services Ltd Remuneration Disclosure (website) – 2019

Brown Brothers Harriman Investor Services Limited (“BBHISL”) has established a Remuneration Policy (“the Policy”) which aligns with firm-wide policy and relates to all employees who are remunerated by BBHISL. The major components, the base salary and performance bonus, are based upon local market salary information, the overall performance of the firm, the various lines of business for the year (measured against the prior year), with some variances based upon individual performance. The Policy does not in any way promote or reward individual risk taking or short-term activity which would undermine the financial soundness of BBHISL or of the firm more generally.

Formal review and ongoing responsibility for the Policy falls within the remit of the London Senior Management Committee, which is responsible for day to day matters impacting BBHISL. The London Senior Management Committee will report to the BBHISL Board of Directors on at least an annual basis regarding compliance with the Policy.

Independent review and oversight of the remuneration arrangements will be performed by the Remuneration Policy Oversight Committee. The Remuneration Policy Oversight Committee comprises representatives from firm-wide control groups including Enterprise Risk Management, Compliance, Legal and Human Resources. The Remuneration Policy Oversight Committee meets as required to determine that local policies are established, implemented and maintained in compliance with applicable regulatory requirements.

The Remuneration Policy Oversight Committee may report periodically to the BBHISL Board of Directors on related matters requiring attention, including new compensation programs, applicable regulatory developments, services or undertakings by BBHISL and whether risks may be presented which should be addressed by Policy and associated arrangements.

It is anticipated that BBH Internal Audit will perform a periodic review on remuneration arrangements. In addition, external audit may be requested to perform a review of BBHISL’s remuneration practices. Any issues and concerns identified from an audit standpoint would be reported to the BBHISL Audit Committee and the BBHISL Board of Directors.

As a privately held firm, BBHISL does not directly offer long term cash or equity incentives. Rather, all viable remuneration bonuses are paid annually in cash. The firm’s remuneration policies are generally set by the firm’s Finance Committee. These arrangements depend upon firm and global lines of business performance and accordingly, do not create the risk incentives on an individual employee basis which longer-term awards are designed to deter. Similarly, none of the activities conducted via BBHISL create the type of short-term risk incentives that would require curbing by methods (e.g. deferrals, claw backs or caps) suggested by regulatory bodies.