

Remuneration Committee

Terms of Reference

Formation

The Committee has been established pursuant to the BlueBay Asset Management LLP (“the **LLP**”) Agreement (“the **LLP Agreement**”) and is to be known as the Remuneration Committee (“the **Committee**”).

Duties

The Committee shall be responsible for all aspects of the remuneration, pension provisions, severance and compensation payments of Members of the LLP and specified employees of BlueBay Asset Management AG, BlueBay Asset Management Corporation Ltd, BlueBay Asset Management International Limited, BlueBay Asset Management USA LLC and BlueBay Funds Management Company S.A. defined as (“the **BlueBay Group**”). The Committee acts under delegated authority from the Board of BlueBay Asset Management LLP (“the **Board**”) and the Boards of each entity within the BlueBay Group. In its fulfilment of this role, without limitation, the Committee shall have regard to the following duties:

- Remuneration Policies:
 - To agree with the Board and, where appropriate, the Board of BlueBay Funds Management Company S.A. (“the **ManCo**” and “the **ManCo Board**”) the framework and policy for the remuneration of the Management Committee of the LLP; Members of the LLP; Senior Management (constituted as determined by the Committee); employees categorised as “Code Staff” (as defined below); and any employee receiving remuneration of an equivalent level to senior management, and to review this annually;
 - To agree and implement the LLP’s Remuneration Policy and the ManCo’s Remuneration Policy and to submit those Policies to annual review from Risk, Compliance and Human Resources Functions to ensure that they promote objectives, values and interests of the LLP and the BlueBay Group, and are compliant with the applicable FCA codes on remuneration and other relevant regulations (and, in particular, those applicable to the ManCo); and
 - To ensure that such individuals’ remuneration is determined by reference to performance objectives and that their remuneration is determined independently of any business they support.

- Code Staff:
 - To agree appropriate lists of “Code Staff”, being identified staff for the purposes of the relevant regulations on remuneration to which the LLP and the BlueBay Group is subject.

- Variable remuneration:
 - To review and approve the allocation of profits and Priority Distributions in respect of each series of Class B Units, in accordance with the terms of the LLP Agreement and the Class B Units Deferral Plan;
 - To review and approve, the proportion of profits that should be accrued and paid as bonuses to Class B Unitholders;
 - To review variable remuneration pool calculations to ensure that they are principally based on profits and take into account all current and future risks facing the LLP and liquidity and AuM levels; and
 - To take all decisions in relation to the Class B Units Deferral Plan.

- Service terms:
 - To agree the practice on the duration of contracts, notice periods and termination payments under such contracts, with a view to ensuring that any termination payments are fair to the individual and the BlueBay Group; that failure is not rewarded; and the duty to mitigate loss is fully reflected in the Policy; and
 - To consider and approve non-standard notice periods and termination payments.

- Remuneration outcomes:
 - To review and approve the remuneration of Members of the LLP and employees of the BlueBay Group designated as “Code Staff”;
 - To review the remuneration of senior individuals in Risk and Compliance Functions to ensure their remuneration aligns to the Remuneration Policies; and
 - To review and consider any performance adjustments to unvested variable remuneration if appropriate for alignment with the Remuneration Policies.

- Implementation of the Remuneration Policies:
 - To review reports from Compliance and Risk Functions which highlight any risk implications relevant to the Remuneration Policies;
 - To review remuneration decisions in relation to conduct failings, to ensure that they do not limit the LLP’s or the ManCo’s ability to build/maintain their capital base; and

- To review (and in some cases approve) material severance and proposed bonus (including any guaranteed) payments to assess their alignment with the Remuneration Policies.

Membership

There shall be a minimum of two members of the Committee from time to time and members of the Committee shall be appointed and removed by the Board, by giving written notice to the LLP at its Registered Office. No member of the Committee shall be a Member of the LLP or an employee of the BlueBay Group.

The Board shall regularly review the membership of the Committee to ensure that an appropriate proportion of members have sufficient expertise and professional experience concerning risk management and control activities with regard to aligning remuneration structures to the risk profile of the LLP and the ManCo and the funds they manage.

The Committee may delegate to any member of the Committee such of its powers as it considers desirable to be exercised by them. Any such delegation may be made subject to such conditions as the Committee may from time to time prescribe, may be either in addition to, or to the exclusion of their own powers and may be revoked or varied from time to time.

Chair

The Board shall appoint a Chair of the Committee (the “**Chair**”) who shall be an independent Non-Executive Member.

Secretary

The Committee shall elect a Secretary of the Committee (the “**Secretary**”) who shall keep a record of:

- The membership of and the dates of any changes to the membership of the Committee;
- The matters tabled at and arising from the Committee; and
- Specific Action Points and their eventual outcome.

Quorum

The quorum for a meeting of the Committee shall be any two members (provided that the quorum shall be one member in the event that the number of members is less than two, owing to the resignation of an existing member and/or the appointment of a new member remaining subject to regulatory approval).

A meeting of the Committee at which a quorum is present shall be competent to exercise all of the

authorities, powers and discretions vested in or exercisable by the Committee.

Meetings

- Attendance at meetings of the Committee shall ordinarily be restricted to members of the Committee and the Secretary. However, non-members shall be entitled to speak, but not vote, at meetings of the Committee at the prior request of the Committee;
- Meetings shall be held at such times as the Committee deems appropriate and, in any event, not less than twice a year;
- Subject to these Terms of Reference, the Committee shall regulate its proceedings as it sees fit;
- No Committee member shall be involved in any decisions as to his or her own remuneration, and no Member of the LLP or a BlueBay Group employee shall be in attendance at the meeting of the Committee whilst that person's remuneration is under discussion;
- Each member of the Committee shall disclose to the Committee:
 - Any personal financial interest in any matter to be decided by the Committee; or
 - Any potential conflict of interest arising from a cross-appointment;
- Any such member shall abstain from voting on resolutions of the Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions and (if so requested by the Board), shall resign from the Committee;
- The Chair of the Committee shall be responsible for communicating the decisions and recommendations of the Committee to the Board as a whole and/or any other relevant board of any member of the BlueBay Group; and
- The Committee shall collaborate with other Board Committees, whose activities may have an impact on the design and proper formation of the Remuneration Policies and ensure the proper involvement of internal control and other relevant functions.

Written Resolutions

Anything that may be done by resolution passed at a meeting of the Committee may be done by resolution in writing signed by all of the Committee members. A resolution in writing may consist of one or more counterparts in identical form each signed by one or more Committee members.

Authorities

The Committee is authorised by the Board at the expense of the LLP to investigate any matter within its Terms of Reference. It is authorised to seek and have unfettered access to, any information it requires from any Member of the LLP or employee in order to perform its duties and all Members of the LLP or employees are directed to co-operate with any requests made by the Committee.

The Committee is authorised by the Board at the expense of the LLP to obtain external professional advice and/or to appoint external consultants (and in each case to set their Terms of Reference) and to secure the attendance of third parties with relevant experience and expertise at meetings of the Committee if it considers this necessary.

For the avoidance of doubt, the Committee shall not have any authority to act in relation to the Matters Reserved for Board Decision and shall not have duties in respect of the nomination of members of the Board.

Terms of Reference

These Terms of Reference may be amended from time to time as required, subject to approval by the Board.

Approval

Terms of Reference approved by the Remuneration Committee **10 December 2019**.

Terms of Reference approved by the Board **4 February 2020**.