MIFIDPRU Disclosure as of 31st December 2023

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1. Introduction

LaSalle is a wholly owned, operationally independent group of subsidiaries of Jones Lang LaSalle Incorporated ("JLL"), a listed company on the NYSE. As of 31 December 2023, approximately 70% of JLL shares are held by twenty institutional investors, with the remaining balance held by other institutional investors, employees (approximately 10-15%) and individuals.

LaSalle operates four business segments:

- Private Equity EMEA;
- Private Equity APAC;
- Private Equity Americas;
- LaSalle Global Solutions ("LaSalle GS").

LaSalle Investment Management ("LaSalle UK") is an unlimited liability company registered in England (registered number 2597050) and is authorised and regulated by the Financial Conduct Authority ("FCA") as a MiFID investment management firm (Firm Reference Number 179466). It serves as the regional headquarters of the Private Equity EMEA and LaSalle GS businesses.

LaSalle UK's permissions are detailed on the FCA's register here.

LaSalle UK is subject to the capital adequacy rules as defined in the FCAs MiFIDPRU sourcebook. Under the FCA's financial rules, LaSalle UK reports its financial affairs on a non-consolidated basis.

The Investment Firms Prudential Regime ("IFPR") was introduced on 1 January 2022, and is a new component of the UK's regulatory framework designed specifically for FCA-regulated investment firms. It establishes additional requirements and places a greater focus on topics such as capital, liquidity, risk management, governance, remuneration, and public disclosure. These new regulations aim to provide investors with a better understanding and overview of the potential risk of harm posed by each investment firm, ensure said investment firms can wind down in an orderly manner, if necessary, and thus, enhance financial stability and protect consumers and markets.

The Prudential Sourcebook for MiFID Investment Firms ("MiFIDPRU") set out the new rules applicable under IFPR and replaced previous rules set out in the IFPRU and BIPRU sourcebooks. The new rules include new own funds and liquidity requirements, as well as an obligation, as set out in MiFIDPRU 8, to make an annual and publicly available disclosure, outlining a firm's risk management policies and objectives, own funds requirements and employee remuneration policies.

LaSalle UK does not meet the threshold for Small Non-Interconnected firms ("SNI") as per the MiFIDPRU definition. It is therefore subject to the additional disclosure requirements set out in MIFIDPRU 8.

2. Governance Arrangements

2.1. Governance framework

To maintain consistency with respect to its culture, policies and high standards, LaSalle operates globally as "One LaSalle" and structures its governance programs to take into account both corporate and client perspectives. LaSalle's Global CEO bears ultimate responsibility and is supported by the Global Management Committee (the "GMC"), consisting of senior leaders from around the globe representing the business lines and functional teams that oversee implementation of its global strategy and corporate and client governance framework.

The strategic direction of the Private Equity EMEA and LaSalle GS businesses is managed by the European Management Committee and the LaSalle GS Management Board respectively. Furthermore, the UK Statutory Board (the "UK Board") undertakes the oversight, governance, and legal management activities of LaSalle UK.

As LaSalle UK's governing body, the UK Board bears statutory and regulatory responsibility for the management of LaSalle UK's business. It is responsible for strategic direction, risk management and the overall good governance of the firm, and comprises:

- The Head of Europe & Co-CIO;
- The COO Europe;
- The CFO Europe; and
- The Head of Debt & Value-Add Strategies & Co-CIO.

The Directors are allocated specific responsibilities in accordance with their roles, in line with their Senior Management Function ("SMF"), as set out in the FCA's Senior Manager & Certification Regime ("SMCR"). Details of the SMFs held by each member of the UK Board are set out in Table 1 below. There is a total of eight Senior Managers holding SMFs at LaSalle UK, however, only four are members of the UK Board. Further details can be found on the FCA's register, here.

2.2. External Appointments

As per the requirement set out in MIFIDPRU 8.3.1R (2), the table below sets out the external directorships held, as at 31 December 2024, by the members of the UK Board.

Table 1: External Appointments

Name	Title	Senior Management Function ("SMF")	Number of External Directorships
Beverley Kilbride	Chief Operating Officer, Europe	SMF3 Executive Director	3
Philip La Pierre	Chief Executive Officer, LaSalle Investment Management Europe	SMF1 Chief Executive SMF3 Executive Director	0
Alistair Seaton	Chief Financial Officer, Europe	SMF3 Executive Director	0
Michael Zerda	Head of Debt & Value-Add Strategies	SMF3 Executive Director	0

2.3. Committees structure

The UK Board and LaSalle's management put in place a number of committees to manage its processes, operations, and investment decisions. From a risk management perspective, the key committees include:

- The European Enterprise Risk Management Committee ("ERMC") (responsible for enterprise risk);
- The LaSalle Global Solutions Enterprise Risk Management Committee ("LaSalle GS ERMC"); and
- Investment and Portfolio Management Committees (responsible for investment risk).

Further information regarding the work and role of the Risk Management Committees is detailed in section 3 below.

2.4 Diversity & Inclusion

LaSalle's DEI initiatives are led and coordinated via its European DEI Operating committee (DEI OpCo). The DEI OpCo focuses on three pillars: community, wellbeing and DEI. It is chaired by the European COO, and each pillar comprises of colleagues from the wider pan-European business. Together, they lead a diverse programme of activities to raise awareness in that area, drive employee engagement and help attract a more diverse workforce.

LaSalle has specific DEI goals to drive more diversity balance, namely making positive progress toward a 50/50 gender split within the firm (currently 44% female in the UK). With partnerships such as Diversity Talk Real Estate, The Real Academy and Real Estate Balance, LaSalle offers opportunities to employees to join industry-leading conversations and network. In addition, senior business leaders at LaSalle participate in the Mentoring Circle initiative, established to address the gender diversity gap at senior leadership level within the property industry.

3. Risk Management Objectives and Policies

3.1. Risk Management Committees

At LaSalle UK, Risk Management is a responsibility of all employees as the success of an effective and comprehensive risk management framework depends on all members of staff being able to:

- Understand the risks applicable to their function and the firm (top-down risk identification);
- Apply operational and management controls constituting the first line of defence; and
- Identify and escalate risk, issues, and gaps (bottom-up risk identification).

The European ERMC is responsible for identification, assessment, and management of the enterprise risk, and ensuring that appropriate action is taken to mitigate against such risks at the level of LaSalle's operations in EMEA (excl. LaSalle GS). Along with the CFO, Europe, the European ERMC has ultimate responsibility for enterprise risk management. The CFO Europe provides an update on the European ERMC activities and key issues to the UK Statutory Board as needed. The European ERMC is responsible for the production of LaSalle's Risk Appetite Statement in Europe, which is approved by the UK Board.

The LaSalle GS ERMC meets on periodic basis and is the owner of the LaSalle GS Risk Register. The LaSalle GS ERMC also feeds the most important risks faced by LaSalle GS into the global risk assessment. The Head of GS provides an update on significant matters and issues relating to the LaSalle GS business to the UK Board during every board meeting.

3.2. Risk management objectives and policies

Through its business activities, LaSalle considers the potential for harm associated with the pursuit of its strategy and considers the following, in accordance with MIFIDPRU 8.2:

- <u>Own funds:</u> this refers to the level of own funds a firm is required to hold to absorb potential losses or meet regulatory requirements. LaSalle UK's Own Funds requirement is £11.8m for the financial year ended 31 March 2024. This is calculated on the basis of its Fixed Overhead Requirement ("FOR"). Section 5 below provides additional details on LaSalle UK's approach to assessing the adequacy of own funds. Details on LaSalle UK's risk management structure and risk appetite are included in section 3.3 and 3.4.

- <u>Concentration risk:</u> concentration risk assesses a firm's risk of losses due to concentrated exposures to a single counterparty or group of connected counterparties. LaSalle UK does not deal on its own account; therefore, this risk is not applicable.

- <u>Liquidity risk:</u> refers to the risk of not having sufficient liquid resources to cover ongoing expenditure of a firm and meet its obligations when they fall due. LaSalle UK is required to hold an amount of liquid assets equal to one third of its FOR. Liquidity risk may arise from times of financial stress stemming from potential adverse trends throughout the economic cycle, or from the need to complete an orderly wind down. LaSalle UK's ordinary monthly income exceeds its monthly regular outgoings and so LaSalle UK is able to meet its obligations as they fall due and transfer any surplus to JLL treasury via an intra-group loan. If the need for cash in excess of daily incomings arises, LaSalle UK has the ability to recall from the inter-group loan to JLL with little to no notice.

The European ERMC & the LaSalle GS ERMC are responsible for maintaining Risk Registers, which identify and detail the risks faced by LaSalle, corresponding mitigation measures as well as the inherent and residual risk ratings.

3.3. Risk Management Structure

LaSalle adopts a 'three lines of defence' approach to identify, analyse, mitigate and/or manage risks across the business, which effectively provide a system of checks and balances.

- First Line – Management & Operational Controls

This line of defence consists of controls, processes and arrangements which relate to day-to-day operations, decision making, and monitoring conducted by the business. The SMFs are responsible for ensuring that their teams have established effective and comprehensive processes and controls to ensure prudent operations and risk escalation. The middle management in each business function is responsible for monitoring the effectiveness of these arrangements, training of the team and management oversight. The European ERMC is entrusted with the responsibility to oversee and manage LaSalle UK's enterprise risk. Furthermore, each of the SMFs provides a periodic update on their areas of responsibility (and the operation of the European ERMC) to the UK Board which is entrusted with the ultimate oversight responsibilities.

- Second Line – Oversight

An independent Compliance Function monitors the effectiveness of and adherence to the operational arrangements established by the first line of defence. The Compliance function is hierarchically and operationally independent reporting into the European General Counsel and then into the Global General Counsel. The European General Counsel is also the SMF 16, with the Head of UK Compliance serving as the SMF 17[1]. Both the European General Counsel and the Head of UK Compliance are attendees of the UK Board meetings.

- Third Line – Independent Assurance

Additional independent assurance is provided through (i) external valuations of assets being conducted annually, (ii) financial audits being undertaken by, primarily, one of the Big Four audit firms on our funds and on LaSalle, (iii) an independent annual controls risk audit and report ("ISAE 3402 Audit Report") and (iv) ad hoc JLL internal audit.

3.4. Risk Appetite

LaSalle's Risk Appetite Statement ("RAS") summarises LaSalle's risk appetite in respect of a range of prominent enterprise risks in Europe. LaSalle recognises that due to its size and resources, it is not

[1] As of June 2024. Prior to this and during the FY 2023, the European Head of Compliance served as both the SMF 16 and SMF 17.

always able to dedicate sufficient resources to managing all operational risks to minimise their residual impact to ‘low’ risk. Consequently, in certain circumstances, LaSalle’s current risk appetite may be higher than the firm’s long-term aspirations. These risks are accepted by the European ERMC and the UK Board.

The UK Board has the ultimate responsibility for the development of appropriate strategies, systems, and controls for the management of risks within the business. The risk appetite statement is reviewed at least annually, or more often as deemed appropriate and approved by the UK Board.

Each risk identified has been assessed and a determination has been made as to whether LaSalle needs to allocate additional capital in respect of these risks.

4. Own Funds

The definition of 'own funds' refers to the capital resources that an investment firm must maintain to meet regulatory requirements and ensure financial stability. The purpose of own funds requirements is to ensure that investment firms have sufficient capital to absorb potential losses, protect clients' assets, maintain market stability and continue operations during periods of financial stress. The following disclosures have been made on the basis of the MiFIDPRU 8 Annex 1 and the rule set out in MiFIDPRU 8.4.

4.1. Composition of regulatory own funds

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**	**£72,654**	
2	**TIER 1 CAPITAL**	**£78,966**	
3	**COMMON EQUITY TIER 1 CAPITAL**	**£0**	
4	Fully paid up capital instruments		
5	Share premium	£7,125	
6	Retained earnings	£71,841	
7	Accumulated other comphrehensive income		
8	Other reserves	0	
9	Adjustment to CET1 due to prudential filters	0	
10	Other funds	0	
11	(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	0	
19	CET1: Other capital elements,deductionsand adjustments	0	
20	**ADDITIONAL TIER 1 CAPITAL**	**0**	
21	Fully paid up, directly issued capital instruments	0	
22	Share premium		
23	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	-£6,313	
24	Additional Tier 1: Other capital elements, deductions and adjustments	£0	
25	**TIER 2 CAPITAL**	**0**	
26	Fully paid up, directly issued capital instruments	0	
27	Share premium	£0	
28	(-) TOTAL DEDUCTIONS FROM TIER 2		
29	Tier 2: Other capital elements, deductions and adjustments	0	

4.2. Reconciliation of regulatory own funds to balance sheet

Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements				
		a **Balance sheet as in published/audited financial statements** As at period end 31 Dec 2023 £K	b **Under regulatory scope of consolidation** As at period end 31 Dec 2023 £K	c **Cross-reference to template OF1**
Assets - Breakdown by asset classes according to the balance sheet in the audited financial statements				
1	Intangible assets	£2,615		
2	Tangible assets	£6,735		
3	Investments	£1,043		
4	Trade debtors	£87,975		
5	Cash at bank in hand	£6,263		
6	**Total Assets**	**£104,631**		
Liabilities - Breakdown by liability classes according to the balance sheet in the audited financial statements				
1	Creditors Amounts failing due within one year	-£27,719		
2	Creditors Amounts failing due after one year	£294		
3	Pension Liability	-£1,301		
4	**Total Liabilities**	**-£28,726**		
Shareholders' Equity				
1	Called up share capital	£7,125		
2	Other reserves	£294		
3	Profit and Loss account	£68,487		
4	**Total Shareholders' equity**	**£75,906**		

5. Own funds requirements

Under MIFIDPRU 4.3, any MIFIDPRU investment firm must at all times maintain own funds that are at least equal to its own funds requirement.

As a non-SNI firm, LaSalle is required to maintain an amount of own funds that is the higher of the:
- Permanent minimum capital requirement ("PMR") £75,000;
- Fixed Overhead Requirement ("FOR") which constitutes 25% of a firm's fixed expenditure; or
- Total K-Factor requirement.

For LaSalle UK, the own funds requirement is based on the FOR. The FOR is calculated based on the latest audited accounts. As of 31 December 2023, LaSalle's own funds threshold requirement was £11.8m. LaSalle UK's results are reviewed monthly to assure the requirements is met.

In addition to the base own funds requirement, LaSalle UK is required to consider whether additional capital is required due to material risk of harm or funds required to ensure the orderly wind-down.

5.1. Permanent minimum capital requirement

The permanent minimum capital requirement is the minimum amount of capital that an investment firm must hold at all times to operate and remain authorised by the FCA and is determined based on the firm's activities and permissions. Firms must hold this capital at the point of authorisation as a MIFIDPRU investment firm by the FCA and maintain it at all times thereafter.

5.2. Fixed Overhead requirement (FOR)

The FOR is a capital requirement based on a firm's fixed overheads, designed to ensure that firms have sufficient capital to wind down or restructure in an orderly manner if necessary. Generally, and as defined under MIFIDPRU 4.5, the FOR is calculated as one quarter (i.e., 25%) of the firm's relevant fixed expenditure for the preceding year.

The relevant fixed expenditure includes most regular business expenses, such as staff and office costs, legal or regulatory fees, and technology costs, but can exclude certain expenses from the calculation such as fully discretionary staff variable remuneration or non-recurring expenses. It is typically based on the most recent audited annual financial statements.

If there has been a material change in the business model or activities of the firm since the last financial year, the FOR should be adjusted accordingly and become the new requirement.

LaSalle UK's FOR disclosed above was calculated using the annual expenditure from the audited accounts relating to the financial year ending 31 December 2023.

5.3. K-Factor requirement

The K-factor Requirement is a risk-based capital requirement designed to capture the potential harm that an investment firm can cause to its clients, the markets in which it operates, and to itself. The 9 K-Factors detailed in MIFIDPRU 4.6 can be classified as per below into the following three main categories, each representing different types of risk:

- Risk to Client (RtC):
    - K-AUM: Assets Under Management
    - K-CMH: Client Money Held
    - K-ASA: Assets Safeguarded and Administered
    - K-COH: Client Orders Handled
- Risk to Market (RtM):
    - K-NPR: Net Position Risk
    - K-CMG: Clearing Member Guarantee
- Risk to Firm (RtF):
    - K-TCD: Trading Counterparty Default
    - K-DTF: Daily Trading Flow
    - K-CON: Concentration Risk

Taking into account LaSalle UK's activities and regulatory license, the Risk to Market and Risk to Firm categories of K-Factors are not generally applicable to LaSalle UK. Additionally, due to the permissions it holds, only K-AUM in the RtC category is applicable to LaSalle UK.

5.4. Assessment of the adequacy of own funds

Under MIFIDPRU 7.4.7, LaSalle UK is required to ensure it has sufficient own funds and liquid assets to cover any additional capital required to avoid material risk of harm to clients and to ensure an orderly wind-down, if necessary. In the case of LaSalle UK, the own funds requirement is based on the FOR, which is calculated based on the latest audited accounts.

As a result of the introduction of the IFPR, LaSalle UK has conducted and documented its Internal Capital Adequacy and Risk Assessment process ("ICARA"), linked to its overall risk management, business planning and capital management.

During the ICARA process, LaSalle UK considers and accounts for the risk of harm posed to consumers and markets and the safety and soundness of the firm's own current financial position and its ability to withstand plausible stressed conditions.

The process, conducted once every 12 months or following material changes to the business model, allows LaSalle UK to assess the risks it faces, the capital and liquidity requirements needed to support such risks and brings together a bottom up and top-down senior management view given its business model, strategy, risk appetite and available financial resources. It also assesses the adequacy of the firm's current risk management framework and governance arrangements.

Through the ICARA risk assessment, LaSalle UK concluded it held sufficient levels of own funds through a mixture of equity and retained earnings to cover the calculated capital requirements for its size and the complexity of its business, and that no additional funds are required to cover the risk of material harm or to ensure the orderly wind-down.

6. Remuneration Policy and Practises

6.1. Remuneration Committee

LaSalle's global approach to employee remuneration takes account of the firm's objectives, strategy, risk tolerance and the long-term interests of client's, shareholders and employees. Within this context, LaSalle seeks to promote sound and effective risk management and employee behaviour underpinned by the objectives and risk profile of its mandates - with a view to aligning interests of all stakeholders.

Due to LaSalle's size, the nature and complexity of its activities, the firm is not required to appoint an independent remuneration committee. However, to oversee the consistent application of the Remuneration Policy, LaSalle established a European Remuneration Committee ("ERC").

The ERC was established for the purpose of providing oversight of the remuneration policy for the benefit of each of the regulated entities of the LaSalle operating in EMEA (incl. LaSalle UK). It is responsible for ensuring compliance with applicable remuneration regulations, and is constituted in a way that enables it to exercise competent and independent judgement on remuneration policies and practices and the incentives created for the management of risk.
The members of the committee are:

- Head of Europe & Co-CIO;
- LaSalle CFO, Europe;,
- Head of Human Resources, Continental Europe
- Head of Human Resources, UK[1]

Permanent advisor is:

- European General Counsel

The European Remuneration policy (which is compliant with the FCA requirements) governs the remuneration framework applicable to our EMEA employees. At the centre of our remuneration policy is the alignment of individual incentives with LaSalle's risk management principles and investor interests. The policy outlines general risk alignment principles and provides for practical mechanisms of ensuring alignment of interests through setting out permitted ratios of variable to fixed remuneration and ex-post correction mechanisms.

6.2. Principles guiding remuneration policies and practises

Compensation arrangements are designed to be aligned with business strategy, promote sound and effective risk management and to discourage risk taking which is inconsistent with the risk profiles, rules or relevant documentation relating to the portfolios and funds under management. The ERC

[1] As of December 2024, the committee structure was changed to include only the Head of Human Resources, Europe. The Global Solutions CFO/CO, also joined the committee in respect of LaSalle GS European staff only.

(together with the UK Board) is responsible for ensuring the compensation arrangements continue to meet these requirements.

LaSalle adopts the following general remuneration principles and objectives:

- Strong oversight and governance in respect of LaSalle's remuneration practices and the application of its policies (including the establishment and implementation of the ERC);
- The ERC will report to the UK Board and provide such comfort as is needed in respect of its policies and compliance with any applicable regulatory requirements;
- The ERC will monitor compliance with any applicable regulatory requirements with a view to ensuring that LaSalle's remuneration policies are consistent with, and promote, sound and effective risk management;
- The ERC will have regard to relevant regulatory framework, including:
  - i. emphasis on a simple and transparent compensation design;
  - ii. performance metrics that include both financial and non-financial measures (including conduct and contribution to sustainability objectives of the firm and relevant mandates);
  - iii. alignment with LaSalle's values and investment and enterprise risk appetite;
  - iv. demonstrated application of sustainability linked undertakings and commitments of LaSalle, together with integration of sustainability linked risks so far as they relate to investment decisions;
  - v. focus on the long-term interests of LaSalle as a whole and the interests of LaSalle's investors in order to ensure a strong risk alignment; and
  - vi. appropriate structure, balance, risk management and pay-out rules.

6.3. Material Risk Takers

The ERC identified 22 Material Risk Takers for all or part of the year ending 31 December 2023.

When identifying the Material Risk Takers (also referred to as the Identified Staff), LaSalle UK considers the guidance provided by the FCA in SYSC 19G. The following groups of individuals have been identified as such:

- Members of the European Investment Committee or Global Solutions Investment Committee;
- Members of the UK Board
- Employees performing a Senior Management Function;
- Employees with managerial responsibility for a significant business unit;
- Employees responsible for information technology and information security.

6.4. Design and structure of remuneration

In broad terms, the renumeration structure for LaSalle employees is comprised of fixed remuneration, meaning base payments without consideration of performance, and variable remuneration, meaning additional payments linked to performance (i.e. bonus).

Details on the individual components of remuneration are set out below.

6.4.1. Fixed Pay

Fixed remuneration includes salary, pension, car allowances and all other contractually agreed remuneration that is not linked to performance.

The Fixed remuneration of any individual employee is sufficiently high to remunerate the employee for the professional services rendered, in line with the level of education, the degree of seniority, the level of expertise, the skills required, experience and the relevant region. Individual levels of Fixed remuneration take into account the external market environment.

Fixed remuneration is reviewed on an annual basis for all employees and adjustments, to the extent they are made, are based on several factors:

- The value of similar positions within the marketplace;
- The value of the position within LaSalle;
- The level of experience and degree of expertise of the individual;
- The historic performance of the individual, especially for the most recent year;
- The perceived long-term potential of the individual;
- Considerations of internal fairness.

Fixed pay is benchmarked to external market surveys to ensure that basic compensation is appropriate.

6.4.2. Variable performance related pay

The component parts of Variable Remuneration may include the following:

- Short term (annual discretionary): the accrual period for annual bonus is based largely on the performance of LaSalle over each calendar year (in respect of each year, a "Discretionary Bonus Pool" is determined based on a number of criteria).
- Medium term (deferred stock): Deferred entitlements to JLL shares via "Restricted Stock".
- Long term (profit sharing): Deferred discretionary award of a share of investment level profits, subject to clients having achieved their return objectives. For the avoidance of doubt, for the purposes of this Policy Variable Remuneration does not include any deferred contractual entitlements (such as "Investment Points" or "Carried Interest" arrangements in closed-ended funds) which may be put in place to ensure alignment of incentives of the investment teams with long term objectives of LaSalle's clients and investors.

Annual Bonus

To ensure the payment of Variable Remuneration does not limit LaSalle's ability to strengthen its capital base, Variable Remuneration is paid on a discretionary basis.

To limit excessive risk taking, and promote sound and effective risk management, Variable Remuneration of the Identified Staff is performance-based and risk adjusted. It is based on a combination of individual performance, business performance and overall company performance and includes financial and non-financial criteria. Additionally, compensation arrangements:

- contain a deferred element for senior positions;
- require all bonuses are signed off by LaSalle's parent company, JLL; and
- all bonuses of over US$500,000 are subject to JLL's approval.

Variable Remuneration awards are generally determined in accordance with:

- the performance of the employee;
- business unit performance;
- performance of LaSalle Europe; and
- LaSalle globally.

Employee performance is benchmarked against objectives set at the start of each year via an online annual performance system.

Restricted stock awards

Each year the senior management team determines if restricted stock awards can be offered to its top performers. The purpose is to reward and retain high performing employees by providing them with an opportunity to own stock in the company, to build wealth that is connected to the long-term performance of the company and ensure there is alignment of interest between key employees and shareholders. Restricted stock awards cliff-vest 3 years after the award date.

Incentive fee sharing programmes

LaSalle operates discretionary incentive fee sharing programmes under which it may allocate a share of those fees (if any) which are classified as incentive fees in respect of one or more LaSalle investment mandates to members of teams who are dedicated, in whole or in part, to the success of that mandate. The share allocation may not be formally decided upfront and it may not be allocated to named individuals in its entirety. The purpose is to align the interests of the investors with the interests of the individuals who make a meaningful contribution to the performance of that mandate.

The allocation of awards under fee sharing programs is determined by the CEO, LaSalle Europe in conjunction with the relevant fund manager (and approval by the Global CEO). The ERC may be consulted in respect of such awards and shall be given access to fee sharing points awarded.

Severance pay

Any payments to employees who are leaving LaSalle must take account of performance and risk adjustment criteria. For employees who leave prior to the bonus payment process, the bonus is forfeited to the extent allowed by local law. Any payments should, therefore, be related to performance achieved over time and designed in a way that does not reward failure; thus "golden parachute" arrangements are not permitted.

This should not preclude termination payments in situations such as early termination of the contract due to changes in the strategy of LaSalle, in merger and/or takeover situations or to meet local legal requirements. Good leavers may be awarded an element of bonus on leaving, subject to LaSalle's discretion and approval by the ERC.

Malus and clawback

LaSalle applies malus and clawback provisions in respect of Variable Remuneration awarded to Identified Staff in case of selected entities where such application is required under local rules. Furthermore, LaSalle periodically assesses whether application of malus and clawback is required at a group level to achieve its long-term objectives and comply with the remuneration principles (which is not currently deemed to be the case).

6.5. Quantitative disclosures

The table below summarises aggregate remuneration for staff whose professional activities have a material impact on LaSalle UK's risk profile by business area, for the year ending 31 December 2023.

Business area	Aggregate total remuneration year ending 31 Dec 2023
Front Office[1]	£ 7,500,698
Support Functions	£ 2,538,960

The below table summarises aggregate remuneration for staff whose professional activities have a material impact on LaSalle UK's risk profile by breakdown of Code Staff, for the year ending 31 December 2023.

Code staff	Aggregate fixed remuneration year ending 31 Dec 2023	Aggregate variable remuneration year ending 31 Dec 2023	Number of Code Staff
Senior Management	£ 1,090,833	£ 2,606,390	4
Others[2]	£ 2,917,150	£3,425,284	18
All Code Staff[3]	£ 4,007,983	£ 6,031,674	22

[1] Includes non-annualised remuneration of two employees who were Identified Staff only for a fraction of the year.

[2] Includes non-annualised remuneration of two employees who were Identified Staff only for a fraction of the year.

[3] Includes non-annualised remuneration of three employees who were Identified Staff only for a fraction of the year.

7. Investment Policy

The following template, included in Annex 2R of MIFIDPRU 8.7 sets out LaSalle's investments in shares traded on a regulated market, where it held over 5% of the voting rights.

LaSalle UK did not hold or exercise shares with more than 5% of the voting rights in 2023.

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