

# AlbaCore Capital LLP

## MIFIDPRU 8 Disclosure

### September 2023

#### *Remuneration Policy and Practices*

##### **Overview**

AlbaCore is subject to the MIFIDPRU Remuneration Code (as laid down in Chapter 19G of the Senior management arrangements, Systems and Controls sourcebook in the FCA Handbook (“SYSC”)). The purpose of the remuneration requirements is to:

- Promote effective risk management in the long-term interests of the Firm and its clients;
- Ensure alignment between risk and individual reward;
- Support positive behaviours and healthy firm cultures; and
- Discourage behaviours that can lead to misconduct and poor customer outcomes.

The purpose of these disclosures is to give stakeholders and market participants an insight into the Firm’s culture and to assist stakeholders in making more informed decisions about their relationship with the Firm.

The objective of AlbaCore’s remuneration policies and practices is to establish, implement and maintain a culture that is consistent with, and promotes, sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile of the Firm and the services that it provides to its clients.

In addition, AlbaCore recognises that remuneration is a key component in how the Firm attracts, motivates, and retains quality staff and sustains consistently high levels of performance, productivity, and results. As such, the Firm’s remuneration philosophy is also grounded in the belief that its people are the most important asset and provide its greatest competitive advantage.

AlbaCore is committed to excellence, teamwork, ethical behaviour, and the pursuit of exceptional outcomes for its clients. From a remuneration perspective, this means that performance is determined through the assessment of various factors that relate to these values, and by making considered and informed decisions that reward effort, attitude, and results.

##### **Characteristics of the Firm’s Remuneration Policy and Practices**

Remuneration at AlbaCore is made up of fixed and variable components. The fixed component is set in line with market competitiveness at a level to attract and retain skilled staff. Variable remuneration is paid on a discretionary basis and takes into consideration the Firm’s financial performance as well as the financial performance of each business unit, and the financial and non-financial performance of the individual in contributing to the Firm’s success. All staff members are eligible to receive variable remuneration.

The below table summarises the financial and non-financial criteria of performance used across the Firm in assessing the level of variable remuneration to be paid:

	Financial Performance Criteria	Non-Financial Performance Criteria
Firm	Financial performance	Firm values
	Market data	Alignment of outcomes for our clients
	Long term business planning	
Individual	Performance	Performance
		Reliability and conduct
		Effectiveness of controls
		Adherence to Firm's policies and procedures
		Ongoing compliance
		Business development
		Contribution to the Firm

The fixed and variable components of remuneration are appropriately balanced: the fixed component represents a sufficiently high proportion of the total remuneration to enable the operation of a fully flexible policy on variable remuneration. This allows for the possibility of paying no variable remuneration component, which the Firm would do in certain situations, such as where the Firm's profitability performance is constrained, or where there is a risk that the Firm may not be able to meet its capital or liquidity regulatory requirements.

### Governance and Oversight

The Governance Committee is responsible for setting and overseeing the implementation of AlbaCore's remuneration policy and practices. In order to fulfil its responsibilities, the Governance Committee:

- Is appropriately staffed to enable it to exercise competent and independent judgment on remuneration policies and practices and the incentives created for managing risk, capital, and liquidity.
- Prepares decisions regarding remuneration, including decisions that have implications for the risk and risk management of the Firm.

- Ensures that the Firm's remuneration policy and practices take into account the public interest and the long-term interests of shareholders, investors, and other stakeholders in the Firm.
- Ensures that the overall remuneration policy is consistent with the business strategy, objectives, values, and interests of the Firm and of its clients.

AlbaCore's remuneration policy and practices are reviewed annually by the Governance Committee

### **Quantitative Remuneration Disclosure**

For the financial year 1 January to 31 December 2022, the total amount of remuneration awarded to all staff was £26.8m, of which £7.4m comprised the fixed component of remuneration, and £19.4m comprised the variable component. For these purposes, 'staff' is defined broadly, and includes, for example, employees of the Firm itself, LLP Members, and secondees.