

MIFIDPRU 8 Public Disclosure

Connaught (UK) Limited

31st December 2022

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Introduction

Business Background

Connaught (UK) Limited (the “**Company**” or “**CUK LTD**”) is a registered Company in the United Kingdom. The Company was incorporated on 29th December 2014 and authorised by the Financial Conduct Authority (“**FCA**”) on 6th June 2016.

The Company’s primary function is to act as a capital advisor. It is therefore classified as a MIFIDPRU investment firm and falls into scope of the Investment Firms Prudential Regime (“**IFPR**”) and the MIFIDPRU section of the FCA handbook. The Company is required to comply with the disclosure requirements set out in the MIFIDPRU 8 section of the FCA handbook and adhere to the remuneration rules set out in SYSC 19G.

For the purpose of prudential regulations, CUK LTD is classified as a Small and Non-Interconnected (“**SNI**”) firm. The given information herein is appropriate for the size and nature of the Company.

Basis and Purpose of Disclosure

The disclosure sets out the Company’s remuneration policies and processes to a level of detail which is appropriate to the Company’s size, and to the nature, scope and complexity of its activities.

These disclosures are revised at least annually with additional updates prepared during periods of material change and published on the Company’s website: <https://www.connaught.com/>

The Company’s disclosures have been prepared on a solo entity basis as at 31st December 2022, being the date that the Company last published annual financial statements.

Remuneration policy and practices (MIFIDPRU 8.6)

Scope and Application

The Company's remuneration policy applies to all Employees of the Company. The term "Employees" should be interpreted broadly to include Employees, Directors (including Non-Executive), Employees of other group entities working predominantly for the FCA-regulated Company, secondees and contractors.

This policy covers fixed and variable remuneration provided to an individual employed or contracted by the Company in exchange for professional services rendered by them including all forms of compensation and benefits paid by the Company.

Objectives of financial incentives

CUK LTD's objectives of its financial incentives are to ensure that the remuneration practices reflect on the Company's environment and culture and can be summarised as below:

- Compensation and rewards based upon the performance of their role and the business as a whole;
- Use of long-term incentives that link variable compensation to long term, sustainable success of the business;
- Attract and retain highly motivated, talented and goal-orientated employees;
- Encourage, drive, and motivate staff to meet their performance targets.

Key characteristics of remuneration

CUK LTD has identified and implemented the following remuneration requirements, as set out in SYSC 19G (MIFIDPRU Remuneration Code), that are applied Company-wide.

It is committed to adhering to the Equality Act 2010 (the "Act") which prohibits discrimination on the basis of an individual's protected characteristics both before and after employment is offered. The Act applies to pay and all other contractual terms, including variable remuneration.

The Company ensures that its remuneration policy and practices are gender neutral and do not discriminate on the basis of the protected characteristics of an individual in accordance with the Act.

The nine characteristics protected under regulation 4 of the Act are:

- Age
- Disability
- Gender reassignment
- Marriage or civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

The Management Body has responsibility for setting and reviewing the compensation arrangements of the Company. The Company undertakes annual performance and compensation reviews.

The Management Body will consider input from the relevant business units and control functions – excluding external parties to ensure that the Company is able to offer competitive compensation to attract and retain high quality talent. Further, and regarding variable compensation, the Management Body will consult with the relevant functions including compliance and risk management as part of the consideration of relevant non-financial metrics.

The remuneration policy is reviewed on at least an annual basis. The Company will also consider the policy upon the advent of a material change to the business model or scale of the Company.

Development and review of the remuneration policy is supported by representatives of the control functions, including (where they exist) risk management, compliance, internal audit and human resources, and also by appropriate business units' leaders.

The Management Body has ultimate discretion to adjust the bonus pool and any individual payments made.

Performance criteria used for assessment

CUK LTD's remuneration policy assesses each individual performance to determine the amount of variable remuneration to be paid to an individual. The assessment includes consideration of the business cycle of the Company and its risk, such that compensation practices are aligned with the outcomes achieved.

Individual performance is reviewed on an annual basis and all Employee awards are based upon the overall performance of the Company, the relevant business unit, and the group taking into account financial metrics, function performance and individual contribution and compliance with the Company's core compliance (and where relevant) risk policies.

CUK LTD ensures that non-financial criteria form a significant part of the appraisal process which informs the allocation of bonus awards and, where necessary will override any abiding financial performance achieved by the business overall.

Components of remuneration

The Company ensures that the remuneration policy makes a clear distinction between criteria for setting fixed and variable remuneration.

CUK LTD's remuneration included in the disclosures is made up of the following components:

Fixed Remuneration

- Base Salary
- Pensions
- Benefits and Insurances

Variable Remuneration

- Discretionary cash bonuses

Fixed compensation is set at the time of hiring and is composed of cash in the form of a salary. Variable compensation takes the form of cash bonuses and is awarded on an annual basis, following an annual performance review, and is subject to discretion.

Quantitative Remuneration

Aggregated quantitative information for all remuneration paid to staff for the year ended 31st December 2022 can be seen below.

	£
Fixed Remuneration	3,264,000
Variable Remuneration	4,197,000
Total Remuneration	7,461,000