

# Albar Capital Limited (“Albar” / the “Firm”)

## MIFIDPRU 8 Disclosure

March 2023

### *Introduction*

The Financial Conduct Authority (“FCA” or “regulator”) in its Prudential sourcebook for MiFID Investment Firms (“MIFIDPRU”) sets out the detailed prudential requirements that apply to Albar. In particular, Chapter 8 of MIFIDPRU (“MIFIDPRU 8” or the “public disclosures requirements”) sets out public disclosure obligations with which the Firm must comply, further to those prudential obligations.

Albar is classified under MIFIDPRU as a small and non-interconnected investment firm (“SNI MIFIDPRU investment firm”). As such, MIFIDPRU 8 requires Albar to disclose information regarding the Firm’s remuneration policy and practices.

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.

In making the qualitative elements of this disclosure, the Firm is required to provide a level of detail that is appropriate to the Firm’s size and internal organisation, and to the nature, scope and complexity of its activities.

This disclosure is made annually on the date the Firm publishes its annual financial statements. As appropriate, this disclosure is made more frequently, for example if there is a major change to the Firm’s business model.

This document has been prepared by Albar in accordance with the requirements of MIFIDPRU 8 and is verified by management body. Unless otherwise stated, all figures are as at the 31st December 2022 financial year-end.

### *Remuneration Policy and Practices*

#### **Overview**

As an SNI MIFIDPRU investment firm, Albar is subject to the basic requirements of the MIFIDPRU Remuneration code. Albar, as an alternatives investment fund manager, is also classified as a collective portfolio management investment firm, and as such, is also subject to the AIFM Remuneration Code. The purpose of the requirements on remuneration are 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 objective of Albar's remuneration policies and practices are 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, Albar 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 greatest competitive advantage.

Albar 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 remuneration policy and practices**

Remuneration at Albar 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 are paid on a discretionary basis and take 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.

Variable remuneration is intended to reflect contribution to the Firm's overall success. Staff are assessed throughout the year and rated based on the company, department and individual performance. The performance assessment considers both financial measures (such as earnings and profit margin) and non-financial measures (such as productivity/efficiency and quality, risk management, people and culture, customer focus and growth and innovation).

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 management body is responsible for setting and overseeing the implementation of Albar's remuneration policy and practices. In order to fulfil its responsibilities, the management body:

- Ensure an appropriate balance of financial results between staff and shareholders
- Ensure attraction and retention of staff members
- Align the interest of senior staff members via long-term incentive awards
- Link a proportion of a staff member's total compensation to the Firm's performance
- Discourage excessive risk-taking
- Ensure client interests are not negatively impacted

Albar's remuneration policy and practices are reviewed annually by the management body.

## **Quantitative Remuneration Disclosures**

For the financial year 1st January 2022 to 31st December 2022, the total amount of remuneration awarded to all staff was £14,002,232, of which £1,552,559 comprised the fixed component of remuneration, and £12,449,673 comprised the variable component. For these purposes, 'staff' is defined broadly, and includes, for example, employees of the Firm itself, partners, employees of other entities in the group, employees of joint service companies, and secondees.