

MIFIDPRU 8 Disclosures

December 2023

Introduction

The Public Disclosure requirements of Investment Firms Prudential Regulation (“IFPR”) are set out in MIFIDPRU 8 which replaces the previous Pillar 3 requirements of BIPRU 11. MIFIDPRU 8 requires firms to disclose information to key stakeholders and counterparties, including its own funds (financial strength), behaviour (investment policy) and culture (risk management, governance, and remuneration).

Scope and application of the requirements

Vergent Asset Management LLP (“the Partnership” or “Vergent”) is authorised and regulated in the UK by the Financial Conduct Authority (“FCA”) and is categorised as a Collective Portfolio Management Investment Company (“CPMI”) conducting investment management and advisory services. The Company is a full-scope Alternative Investment Fund Manager and has permissions to conduct Markets in Financial Instruments Directive (“MiFID”) activities. Under IFPR and the MIFIDPRU section of the FCA Handbook, Vergent falls within the category of a small and non-interconnected investment (“SNI”) Company. This document sets out the Partnership’s approach to the Disclosure requirements containing the key qualitative and quantitative information required as part of the Disclosure. The qualitative disclosures under MIFIDPRU 8 are appropriate to the Partnership’s size and internal organisation and to the nature, scope, and complexity of its activities.

REMUNERATION POLICY AND PROCESS

Remuneration policy

Vergent’s Remuneration Policy is designed to align with the long-term interests of its clients. The Policy is consistent with Vergent’s strategy, culture and objectives, ensuring sound and effective risk management alongside the fair and equal treatment of all staff.

Vergent’s organisational structure ensures that it meets all the key requirements, does not encourage excessive risk taking, supports the Partnership’s business objectives and avoids conflicts of interest.

The oversight of Vergent’s remuneration strategy and policy is governed by the Company’s Management Committee.

QUALITATIVE REMUNERATION DISCLOSURE

All the senior employees of Vergent are Partners or Principals in the business. It is key to our philosophy that the Partners or Principals, share in the profits of the business as a whole avoiding any short-term market or product-related performance bonuses. It is through this philosophy that we seek to retain high caliber individuals, who’s interests are aligned with those of the Company and its clients. The Management Committee of the Partnership will annually review the equity allocation of the partners and the points system of profit allocation for Principals and whether there should be any increase or decrease for each individual (Principal Plan or equity interest). New Partners are identified as part of this review. Each partner receives a base draw and a percentage of distributable profits according to the partner’s

proportional ownership. Distributions are only made from profits after the necessary working capital buffers are taken into account therefore ensuring the stability of the business.

Employees that are not partners are remunerated on a fixed annual salary with an annual discretionary bonus (variable) decided on by the employee's manager based on the employee's overall performance and agreed by senior management. Salaries are fixed at a level to attract and retain the right employees with the personal attributes and skills required to deliver our strategy.

The Principal plan, a long-term incentive plan with profit sharing has been established to recognise the contribution that certain individuals, that are not Partners, make to the growth in Vergent's profit over the long-term and increase the incentive for these individuals to continue to develop their careers at Vergent and deepen the cultural identification with the firm.

QUANTITATIVE REMUNERATION DISCLOSURE

Vergent is required to disclose quantitative remuneration information for its Staff population in a manner that is appropriate to its size, internal organisation and the nature, scope and complexity of its activities. The table below provides the total remuneration expenditure awarded for Vergent's staff population for the 2023 performance year ended 31 December 2023 and amounts are presented on a gross basis.

REMUNERATION EXPENDITURE FOR STAFF IN 2023

This table shows the total remuneration expenditure for Code Staff by business for 2023.

Vergent Asset Management	
Fixed remuneration ¹	£516,511
Variable remuneration	£140,710
Total remuneration	£657,221

¹ Fixed Remuneration includes partners draws, employees salary plus pensions contributions and other benefits such as medical