

G10 Capital Limited

September 2024

MIFIDPRU 8 Disclosure

Introduction

Regulatory Context

G10 Capital Limited (“G10” or the “Firm”) is authorised and regulated by the Financial Conduct Authority (“FCA”) (Firm Reference Number, “FRN”, 648953).

This Disclosure has been prepared in accordance with MIFIDPRU 8, which has the regulatory aim of providing stakeholders and market participants with an insight into how G10 is run. The Disclosure should also aim to help stakeholders make more informed decisions about their relationship with the Firm.

Frequency

This Disclosure covers the period from **1 January 2023 to 31 December 2023**, and subsequent updates will be made on at least an annual basis as of the Accounting Reference Date (“ARD”), which is 31 December each year, and will be publicly disclosed when the Firm files its financial statements with Companies House.

The Firm may choose, at its own discretion, to make more frequent public disclosures where a particular circumstance requires this in the opinion of the Firm’s Board of Directors.

Proportionality

The level of detail provided in the Disclosure is proportionate to the size and internal organisation of the Firm and also proportionate to the nature, scope and complexity of the Firm’s business activities.

The Firm is classed as a **SNI Investment Firm**, and as it has no additional tier 1 instruments in issue, therefore, the Firm is only required to disclose its remuneration policies and practices, as per MIFIPRU 8.1.

Changes to Information disclosed

This is the Firm’s second Disclosure under MIFIFPRU 8. The Firm has reviewed its approach to disclosing its remuneration for Staff, since the previous Disclosure, on the basis that most Staff members are employed on behalf of both Firms, by a service entity which is a cost center.

Verification

The information contained in this document has not been audited by the Firm’s external auditors, as this is not a requirement, and does not constitute any form of financial statement and must not be relied upon in making any judgement on the Firm.

Level of Application

These disclosures are made by the Firm on a solo basis as required by MIFIDPRU 8.1.7R.

Background

G10 is classed as a CPMI Firm as it is a full-scope Alternative Investment Fund Manager (“AIFM”), with MIFID top up permissions.

In the course of its business and its FCA authorisation, G10 provides:

1. A regulatory hosting platform, as a Principal Firm, for a number of Appointed Representatives (“ARs”);
2. Discretionary investment management on behalf of clients (“Clients”), where the Firm is appointed as a portfolio manager or a delegated portfolio manager to funds; and
3. Alternative Investment Fund Manager (“AIFM”) services to Alternative Investment Funds (“AIFs”).

The Firm is part of an Investment Firm Group (“IFG”), comprising IQEQ Group’s regulatory hosting business, which includes another FCA authorised and regulated firm, Sapia Partners LLP, and in this context a service entity that employs c50 individuals directly (“Employees”). The Senior Management Function (“SMF”) holders who are employed by IQEQ Group, but seconded to the IFG are also classed as Employees.

A number of individuals are seconded (“Secondees”) into the Firm’s business on an ongoing basis, to manage monies under the Firm’s MIFID and AIFM permissions. Only Secondees performing MiFID activities are in scope of this Disclosure. Secondees who work exclusively on AIFM activities are not in scope of this Disclosure.

In the context of this Disclosure, in-scope Secondees and the Employees are referred to, collectively, as Staff. Therefore, the remuneration of all Staff involved with activities (1) and (2) above, as performed by the Firm, have been considered in the Firm’s Remuneration Policy (“Policy”) and this Disclosure.

MIFIDPRU 8.6 – Remuneration

Due to the scope of its regulatory permissions and associated activities, G10 is subject to both the ‘AIFM Remuneration Code’ and ‘MIFIDPRU Remuneration Code’. The Firm considers that the MIFIDPRU Remuneration requirements, for SNI MIFIDPRU investment firms, are in general less demanding than the requirements under the AIFM Remuneration Code. Under SYSC 19G.1.20 R, a firm such as G10, which is subject to multiple remuneration codes, with provisions imposing different remuneration requirements, only one of which can be complied with, must comply with the most stringent of the relevant provisions.

As all Employees are associated with both MIFID and AIFM activities, the Firm complies with the most stringent provisions in the AIFM Remuneration Code with regard to Employees. All Secondees who work exclusively on MIFID business are subject to the MIFIDPRU Remuneration Code while all other Secondees who work on both types of business are subject to the AIFM Remuneration Code.

The Firm has not identified any Material Risk Takers in the context of its MiFID activities, as it is not required to, as it is an SNI Investment Firm. However, with respect to its AIFM activities, the Firm classes SMFs and all Secondees who are in-Scope of the AIFM Remuneration Code, as Material Risk Takers.

Qualitative Disclosure

The Firm has in place a Policy which has been approved by its governing body in the form of its Board of Directors. The Policy’s overarching aim is the promotion of sound and effective risk management, whilst reducing conflicts of interests and encouraging good conduct amongst Staff.

The purpose of the Policy is to set out how the Firm provides remuneration in a manner that is consistent with the relevant remuneration codes outlined above. The main objective of the financial incentives is to attract, motivate and maintain high-calibre Staff.

The Policy has been designed to ensure consistency with the risk profiles, rules and instruments of incorporation of the funds and managed accounts and with the objectives set out in the Firm's business plan as well as to ensure that there is no conflict of interest between Staff and investors, as well as compliance with the FCA's Conduct of Business rules.

In seeking to discourage risk-taking which is inconsistent with its internal risk limits or with the risk profile of the funds and portfolios that G10 manages, each Staff member's approach with respect to sustainability risks, stemming, in particular, from climate-related events or from society's response to climate change are considered.

The Firm does not believe it is proportionate to have a standalone Remuneration Committee.

The Firm considers the factors below, which integrate sustainability risk, in its approach to remuneration for all Staff:

- G10 and the IFG's overall regulatory capital and liquidity position;
- The maintenance of an appropriate surplus of regulatory capital and liquidity which is consistent with the IFG's risk appetite;
- The performance of individual Staff members with respect to quantitative financial metrics;
- Each Staff member's contribution to the implementation of G10's sustainability initiatives;
- A qualitative assessment as to whether the Staff member has demonstrated sound and effective risk management behaviour in relation to sustainability risks;
- Assessment of the performance of personnel against non-financial metrics, such as good conduct; and
- The performance of the Firm and the IFG as a whole.

Quantitative Disclosure

G10 considers that there is a single business area in this context, and the total remuneration paid to Staff, as required under MIFIDPRU 8.6.8R (4) can be found below.

The variable remuneration reflects such remuneration paid with respect to performance over the financial year (even if paid following the end of the year).

Fixed Remuneration	Variable Remuneration	Total Remuneration
£3,240,666	£357,453	£3,598,119