

EnTrust Global Ltd. (“EnTrust” / the “Firm”)

MIFIDPRU 8 Disclosure

July 2024

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 EnTrust. 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.

EnTrust is classified under MIFIDPRU as a small and non-interconnected investment firm (“SNI MIFIDPRU investment firm”). As such, MIFIDPRU 8 requires EnTrust 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.

This document has been prepared by EnTrust in accordance with the requirements of MIFPRU 8 and is verified by EnTrust. Unless otherwise stated, all figures are as at the 31 December 2023 financial year-end.

Remuneration Policy and Practices

Overview

As an SNI MIFIDPRU investment firm, EnTrust is subject to the basic requirements of the MIFIDPRU Remuneration code. EnTrust, as an alternatives investment fund manager, 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 EnTrust’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, EnTrust 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.

EnTrust 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 EnTrust 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 performance period runs from 1 January to 31 December each year, and individuals undergo annual performance reviews to ensure that the assessment of performance is set in a framework appropriate to the life-cycle of EnTrust funds and activities.

The determination of individual variable compensation awards is based on an assessment of each individual's performance against their personal objectives, and may, in any particular year, take into account additional peer or other type of review. Examples of factors used by an individual's supervisor to measure individual performance include job knowledge and work quality, teamwork, relationships and client focus, communications, adherence to Group policies, behaviour alignment to sustainability risks, contributions to ESG factors as applicable, and innovation. The measurement of performance used to calculate any variable pay includes a comprehensive adjustment mechanism to integrate all relevant types of current and future risks.

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

- Is appropriately staffed (the Committee currently includes the CEO, CFO, President and Head of HR) to enable it to exercise competent and independent judgment on remuneration policies and practices and the incentives created for managing risk, capital and liquidity;
- To avoid any conflicts of interest, awards to the members of the Compensation Committee are specifically reviewed and approved by the founder and majority owner of the group;
- Prepares decisions regarding remuneration, including decisions which have implications for the risk and risk management of the Firm;

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

EnTrust's remuneration policy and practices are reviewed annually by the Global Compensation Committee.

Quantitative Remuneration Disclosures

For the financial year 01 January 2023 to 31 December 2023, the total amount of remuneration awarded to all staff was £14,140k, of which £6,013k comprised the fixed component of remuneration, and £8,127k comprised the variable component. For these purposes, 'staff' is defined broadly, and includes, for example, employees of the Firm itself, directors, employees of other entities in the group, employees of joint service companies, and secondees."