Azura
PARTNERS

Azura Partners Ltd (“APL”)

MIFIDPRU 8 Public Disclosures for financial year ending December 2024

1. Introduction

A MIFIDPRU investment firm must establish, implement, and maintain remuneration policies, procedures and practices that are consistent with and promote sound and effective risk management. If a firm's remuneration policy is not aligned with effective risk management, it is likely that employees will have incentives to act in ways that might undermine effective risk management.

The requirements of the MIFIDPRU Remuneration Code are separated into 3 categories (basic, extended, and enhanced). The extent to which the requirements apply to a firm depends on how that firm is categorised, as well as whether certain financial thresholds are exceeded. The FCA categorises investment firms as either:

- 'SNIs' – small and non-interconnected firms that meet specific criteria; or
- 'non-SNIs' – firms that do not meet the SNI criteria.

APL is a SNI firm. As a SNI firms are required to comply with a small number of remuneration rules, referred to as the 'basic remuneration requirements.

The following section outlines the remuneration requirements that APL complies with in accordance with MIFIDPRU 8 of the FCA Handbook.

2. Remuneration policy and practices

MIFIDPRU investment firms are required to document, implement, and operate a remuneration policy for all staff, which should cover all components of remuneration covered in the MIFIDPRU Remuneration Code. A firm's remuneration policy must:

- be proportionate to the nature, scale and complexity of the risks inherent in the firm's business model and activities;
- be gender neutral. This means that the approach to remuneration must be "based on equal pay for male and female work or work of equal value;
- be consistent with and promote sound and effective risk management;
- be in line with the firm's business strategy and objectives;
- consider long term effects of investment decisions taken; and
- contains measures to avoid conflicts of interest, encourage responsible business conduct and promote risk awareness and prudent risk-taking.

3. APL Remuneration Practices and arrangement

APL has designed its remuneration practices to:

- promote the long-term success of the firm.
- attract, motivate, and retain the best talent to help ensure continued growth and success of the firm.
- support the firm's purpose and values to build a safe, respectful, and inclusive culture through remuneration policies and schemes that promote and reward good conduct and behaviours for the benefit of our customers and colleagues.
- strike an appropriate balance between short-term and long-term performance with strong linkage to firm performance, effective risk management, management of conflicts of interest, customer outcomes, the culture, and values of the firm and long-term shareholder value creation.
- ensure compliance with relevant remuneration regulation requirements.

APL's compensation arrangement typically comprises the following:

- a fixed base salary
- employee benefits
- variable remuneration

Variable remuneration is only paid following the following considerations:

- as assessment of the Firm's assessment of regulatory capital requirements (own funds and liquidity).
- performance of the individual, both against qualitative and quantitative objectives.
- Market rates for comparable roles.

The remuneration policy is reviewed annually, and any potential conflicts are considered as part of this process. APL maintains a conflicts of interest register.