

Pillar III BIPRU Remuneration Code disclosures

June 2020

Ocean Dial Asset Management Limited (“ODAM” or “the Company”) is authorised and regulated by the Financial Conduct Authority as a BIPRU Limited Licence Firm and is therefore subject to the FCA BIPRU Remuneration Code and Rules on remuneration which are located in the SYSC Sourcebook of the FCA’s Handbook (SYSC 19). The Company is required to disclose certain information on at least an annual basis regarding its Remuneration Policy and practices for those staff whose professional activities have a material impact on the risk profile of the Company. Disclosure is made in accordance with the Company’s size, internal organisation and the nature, scope and complexity of its activities.

ODAM’s business is to provide investment management and administration services to funds and investment companies managed by the Company. It currently employs six staff and contracts the services of an independent investment advisory company in India which provides non-binding investment advice.

As part of the Company’s general capital adequacy requirements and further to the specific rules on this issue, the Board is also required to implement and maintain a Remuneration Policy which ensures the Company’s pay structure promotes sound and effective risk management and does not encourage risk taking that exceeds the level of tolerated risk established by the Company under SYSC 4 (General Organisation Requirements) and SYSC 7 (Risk Control).

Remuneration Policy

The remuneration structure is designed to ensure that compensation arrangements:

- Are consistent with and support sound and effective risk management and a positive client conduct culture;
- do not encourage excessive risk taking;
- include measures to avoid conflicts of interest;
- are in line with the business strategy, objectives, values and long-term interests of the Company; and
- align the interests of employees with those of all key stakeholders in particular our shareholders, clients and regulators.

The Remuneration Policy has been determined incorporating the following decision-making processes:

- Agreed by the Board in line with the Remuneration Code principles laid down by the FCA. Due to the size, nature and complexity of the Company, it is not required to appoint an independent remuneration committee.
- Reviewed as part of annual process and procedures, or following a significant change to the business requiring an update to its internal capital adequacy assessment.
- The ability to pay bonuses is based on the performance and profitability of the Company overall and derived after:
 - The managed fund’s returns have been calculated by client appointed third party administrators; and
 - the managed fund’s asset prices have been independently verified.

The remuneration structure seeks to discourage short-term gain and is linked to, and seeks to encourage, the long term performance of the Company as a whole, as opposed to individual performance. Remuneration is linked to performance by rewarding individuals based on their contribution to the overall strategy of the business including, but not limited to, investment generation, fund performance in both absolute terms and against predetermined benchmarks, sales & marketing achievements and the management and delivery of accurate operational processes. Other factors such as performance, reliability, effectiveness of controls, business

development and contribution to the business are taken into account when assessing the performance of the senior staff responsible for the infrastructure of the Company.

Independent Investment Advisory Companies

The Company utilises the services of an investment advisory company in the Avendus Capital group in India to provide non-binding investment advice to the Company. The services of these companies and the remuneration of their staff are outside the remit of the Company and therefore are explicitly excluded from the Remuneration Policy and Code. The risks associated with the fee arrangements and provision for services contained in the Advisory Agreement with this independent investment advisory companies is managed by the Company's Risk Committee.

Remuneration Code Staff

Remuneration Code Staff comprises categories of staff including senior management, staff engaged in control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the Company's risk profile ("Code Staff"). The remuneration of Code Staff is subject to specific requirements within the BIPRU Remuneration Code.

Base salary

The base salary is designed to attract and retain high calibre employees and reflect an employee's role, skills and knowledge. These are set annually based on individual role and experience and external factors, where applicable.

Annual Bonus

All employees have the potential to receive an annual performance related bonus as part of their overall remuneration package. This bonus is based on a combination of the overall assessment of the performance of the business and individual performance which are assessed against both financial and non-financial measures, including risk management objectives appropriate to their role. The aggregate level of bonus is determined firstly by reference to the Company's profitability, and then by reference to other financial and non-financial metrics, such as risk and strategic considerations.

The aggregate compensation for Code Staff split into fixed and variable remuneration for the year ended 31 March 2020 was:

	Number of Code staff	Fixed remuneration (£'000)¹	Variable remuneration (£'000)²	Aggregate remuneration (£'000)
Senior management & other Code Staff	2	365	-	365

1 Fixed remuneration consists of base salary and company pension contributions

2 Variable remuneration consists of a discretionary annual bonus