

MIFIDPRU Public Disclosure Document

Ronit Capital LLP

For the period: 1st April 2022 – 31st March 2023

Overview

Ronit Capital LLP (“Ronit” or “the Firm”) is regulated by the Financial Conduct Authority (“FCA”) as a CPMI Firm with MiFID top-up permissions and is subject to the rules and requirements of the FCA’s Prudential Sourcebook for MiFID Investments Firms (“MIFIDPRU”) handbook. The Firm is classified as a Small and Non-Interconnected (“SNI”) Investment Firm under MIFIDPRU 1.2. Accordingly, these disclosures have been prepared as per the requirements contained within MIFIDPRU 8.6.

This Public Disclosure Document has been prepared based on the audited financials as at 31st March 2023, covering the financial period 1st April 2022 to 31st March 2023.

The Firm’s main business activity is to provide investment management services. Ronit has the ultimate responsibility for the portfolio and risk management of the AIF and as such is approved as an Alternative Investment Fund Manager (“AIFM”) under the Alternative Investment Fund Managers Directive (“AIFMD”). The provision of these services is documented in the Investment Management Agreement (“IMA”) with the Fund as the Firm’s client.

The Firm has adopted a remuneration policy and procedures that comply with the requirements of chapter 19G of the FCA’s Senior Management Arrangements, Systems and Controls Sourcebook (“SYSC”). Ronit as an alternative investment fund manager, is also classified as a collective portfolio management investment firm, and as such, is also subject to the AIFM Remuneration Code (SYSC 19B).

The Firm’s policy is designed to ensure that it complies with the RemCode and its compensation arrangements:

- Are consistent with and promote effective risk management in the long-term interests of the Firm and its clients;
- Ensure alignment between risk and individual reward and not to encourage excess risk taking;
- Support positive behaviours and healthy firm cultures;
- Discourage behaviours that can lead to misconduct, conflict of interest and poor customer outcomes; and
- Are on gender neutral basis.

Proportionality

The FCA has sought to apply proportionality with respects to firm's disclosures. Ronit’s disclosure is made in accordance with its size, internal organisation, nature, scope and complexity of its activities.

Application of the Requirements

The Firm completes the remuneration disclosure annually on the date the Firm publishes its annual financial statements. As appropriate, this disclosure will be made more frequently if there is a major change to the Firm’s business model.

Qualitative characteristics of the Firm’s Remuneration Policy and Practices

In accordance with MIFIDPRU 8.6.2 the Firm makes the following qualitative remuneration disclosures:

- The Firm’s remuneration policies and practices are reviewed annually to ensure they are appropriate and proportionate to the nature, scale and complexity of the risks inherent in the business model and the activities of the firm.
- The partners, as the Remuneration Committee, are directly responsible for the overall remuneration policy.
- The Firm ensures that its remuneration structure promotes effective risk management and balances the fixed and variable remuneration components for all Staff.

Ronit’s Remuneration Policy sets out the criteria for setting fixed and variable remuneration. All remuneration paid to staff members is clearly categories as either fixed or variable remuneration. The various components of remuneration are as follows:

- Fixed remuneration including base salary, pension and benefits
- Variable remuneration including discretionary annual bonus

Total remuneration is based on balancing both financial and non-financial indicators together with the performance of the Firm and the staff member’s business unit.

Fixed remuneration is based upon a staff member’s professional experience and organisational responsibility. It is permanent, pre-determined, non-discretionary, non-revocable and not dependent on performance. Variable remuneration is based upon staff members performance or, in exceptional cases, other conditions. Performance reflects the long-term performance of the staff member as well as performance in excess of the staff member’s job description and terms of employment.

The Firm ensures that the fixed and variable components of the total remuneration are appropriately balanced; and the fixed component represents a sufficiently high proportion of the total remuneration to enable the operation of a fully flexible policy on variable remuneration. The Firm monitors fixed to variable compensation to ensure SYSC 19G is adhered to with respect to Total Remuneration.

The governing body of Ronit (“Partners’ committee”) is responsible for determining, approving and maintaining the remuneration policy for all staff. The Partners’ committee meets at least annually to set the Firm’s Remuneration Policy for the following year, as well as for the previous year and the performance and risk adjustments. All remuneration is also reviewed and approved by the Firm’s Chief Investment Officer to ensure that is appropriate, prudent and promotes equality within the Firm. The Partners’ committee will also consider feedback from the control functions in determining variable remuneration.

Quantitative characteristics of Remuneration

With respect to the performance year ended 31st March 2023, the total amount of remuneration awarded to all staff, as interpreted under SYSC 19G.1.24G, split into fixed and variable remuneration, was as follows:

	Fixed remuneration	Variable remuneration	Total remuneration
All staff	£503,111	£208,500	£711,611