

## **DrakeWood Capital Management Limited**

### MIFIDPRU 8 DISCLOSURE

Financial Year Ended 31 December 2023

## **1. INTRODUCTION**

### **1.1. Background**

DrakeWood Capital Management Limited (“the Firm”) is prudentially regulated as an SNI MIFIDPRU investment firm. The Firm is authorised as a full-scope UK AIFM and acts as an investment fund manager to the DrakeWood Prospect Fund, DrakeWood Resource Investments Fund and certain self-managed accounts. It is permitted to act only for professional investors. The Firm is authorised and regulated under UK legislation by the Financial Conduct Authority (“FCA”).

### **1.2 Scope of Application**

This disclosure has been prepared on an individual basis.

### **1.3 Disclosure Policy**

This Disclosure is in line with the most recent published financial statements for the Firm as at 31 December 2023.

The MIFIDPRU Disclosure obligations, under MIFIDPRU chapter 8, require publication on an annual basis. The FCA expects this to be published on the Firm’s website or through an alternative method if the Firm does not maintain a website. This Disclosure will be assessed and amended if there are any material changes within the period of Disclosure.

This Disclosure has been approved by the governing body of the Firm and is not subject to audit, except where they are prepared under accounting requirements for publication.

## **2. REMUNERATION**

### **2.1 Approach to Remuneration**

The Firm does not link remuneration directly to the performance of the Firm, or that of the Group, rather, the Firm’s performance may be a factor in determining variable remuneration. The Firm also considers its non-financial criteria when assessing remuneration. Examples of non-financial criteria may include, but are not limited to, measures relating to building and maintaining positive customer relationships and outcomes, such as:

- positive customer feedback;

- performance in line with Firm strategy or values, for example, by displaying leadership, teamwork or creativity;
- adherence to the Firm's risk management and compliance policies; and
- achieving targets relating to environmental, social and governance factors and diversity and inclusion.

Any discretionary bonus scheme pools are calculated by reference to the Firm's net operating profit, where the underlying revenue is not subject to recovery or downward adjustment. Employees are not encouraged, and the Firm's remuneration schemes do not reward, the taking of market or trading risks. The Firm operates a Remuneration Policy, which is reviewed annually.

When determining the variable remuneration paid to any employee, the Firm considers a number of factors covering the Firm as a whole, individual business units, and the individual employees as appropriate. The Firm's overall profitability, the absolute and relative performance of an employee and (as applicable) their business unit, the employee's conduct and adherence to the Firm's values, any disciplinary action taken against the employee and the results of the employee's performance review will be taken into account.

The discretion held by the Board of the Firm ensures that the Firm is able to retain employees in executive positions who are vital to the Firm's strategic development. The Firm has no obligation to pay variable remuneration other than out of realised profits which are not subject to later reduction (after subtracting all expenses relating to running the business) to allow for a fully flexible policy. Accordingly, the Firm's total variable remuneration does not limit its ability to strengthen its capital base.

The Firm oversees and manages its risks through a combination of routine monitoring of policies and procedures, an efficient reporting process, an annual independent audit (Blick Rothenberg), a Compliance Manual, and the use of an independent outsourced compliance adviser (ACA Group).

## **2.2 Remuneration Objectives**

The Firm's financial incentives are designed to attract and retain employees with the appropriate skills, knowledge and expertise to enable the Firm to deliver its long-term strategic goals, widen its client base and expand into similar areas of business as and when the appropriate opportunities arise, in each case in a manner which is consistent with and which promotes effective risk management and does not expose the Firm to excessive risk.

## **2.3 Remuneration Governance**

The Firm has in place a Remuneration Policy which is approved by the Board at least annually.

The Firm does not meet the criteria to form a Remuneration Committee under SYSC 19G. The Board has oversight of the Firm's remuneration policies and refers to its remuneration Terms of Reference and the MIFIDPRU remuneration code. Furthermore, the Firm ensures that the Firm's standards, fairness, compliance objectives, corporate governance and maintaining a sound

capital base are not compromised by its remuneration incentives. The Firm has used external consultants to assist in the development of its remuneration policies and practices.

#### **2.4 Quantitative Remuneration Disclosure**

For the financial year ended 31 December 2023, the total amount of fixed remuneration awarded to its staff was £1,097,345.09, and the total amount of variable remuneration awarded was £1,501,997.15.