



# NASSAU GLOBAL CREDIT

## **NASSAU GLOBAL CREDIT (UK) LLP**

### **MIFIDPRU Public Disclosure Document**

Date as at 27 September 2023

For the period 1 January 2022 through 31 December 2022

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## **1 Overview and summary**

Nassau Global Credit (UK) LLP is regulated by the Financial Conduct Authority (“FCA”) as a Markets in Financial Instruments (“MiFID”) firm and subject to the rules and requirements of the FCA’s Prudential Sourcebook for MiFID Investments Firms (“MIFIDPRU”) handbook.

For the purposes of MIFIDPRU, the Firm has been classified as a small non-interconnected (“SNI”) firm.

The Firm has produced this Public Disclosure Document in line with the rules and requirements of MIFIDPRU 8, as applicable to SNI firms.

This Public Disclosure Document has been prepared based on the audited financials as at September 30, 2023, covering the financial period January 1, 2022 through December 31, 2022.

The Firm’s main business activity is to serve as (i) a collateral manager to Euro-denominated collateralized fund obligation (“CLO”) issuers and (ii) an investment manager to separately managed accounts consisting of portfolios of third-party Euro-denominated CLO securities. In addition, the Firm acts as “originator” under Regulation (EU) 2017/2402 (the “EU Securitisation Regulation”) to ensure compliance with the risk retention requirements applicable to EU securitisation transactions.

## **2 Risk management objectives and policies**

The Firm has implemented and embedded risk management framework, policies and procedures across all relevant risk areas of the Firm. The Governing Body sets the business strategy and risk appetite statement of the Firm, which flows through to the risk management framework of the Firm.

In line with the Firm’s business strategy, risk appetite and risk management framework the Firm identifies and further assesses key risks within the Firm’s Internal Capital and Risk Assessment (“ICARA”) process.

The Firm maintains a risk register, which includes risk assessment and rating methodologies in accordance with its risk appetite statement. Key risks are reported to the Governing Body at each meeting.

### **2.1 Own funds requirements – MIFIDPRU 4**

As an SNI firm without permissions for dealing as principle or holding client money or client assets, the Firm is subject to a Permanent Minimum Requirement of £75,000.

The Firm calculates its own funds requirements based on the Fixed Overhead Requirement (“FOR”) calculation and is not subject to any K-factor requirements.

The Firm has further assessed any risks facing its business operations within its ICARA and quantified additional own funds and liquidity, where required.

## **2.2 Concentration risk – MIFIDPRU 5**

The Firm does not conduct any trading on own account and does not have regulatory permissions for dealing as principal. The Firm therefore does not have any concentration risks on or off balance sheet and does not operate a trading book.

## **2.3 Liquidity – MIFIDPRU 6**

The Firm maintains minimum liquidity at all times in compliance with the Basic Liquid Asset Requirement (BLAR), being at least 1/3 of its FOR.

The Firm does not provide any client guarantees and therefore its entire liquidity requirement is driven by its expenses, as captured by the FOR.

As part of the ICARA, the Firm also maintains liquidity to satisfy its net wind-down costs and any additional liquidity requirements which the ICARA identified for supporting the ongoing business activities of the Firm.

### 3 Remuneration arrangements

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").

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 Governing Body, as the Remuneration Committee, is 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.
- Variable remuneration is adjusted in line with capital and liquidity requirements as well as the firm's performance.

The following categories of Staff eligible to receive variable remuneration are as follows:

Nassau Global Credit (UK) LLP does not benefit from exceptional government intervention.

Nassau Global Credit (UK) LLP 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.

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.

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.

The Firm ensures that 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.

### Quantitative Remuneration

All firms are required to publicly disclose certain quantitative information in relation to the levels of remuneration awarded.

As an SNI firm and in accordance with MIFIDPRU 8.6.8, Nassau Global Credit (UK) LLP is required to disclose the total amount of remuneration awarded to all staff, split into fixed and variable remuneration.

For the performance year ending 31 December 2022:

Total fixed remuneration awarded	£ 981,354
Total variable remuneration awarded	£ 458,453
<b>Total remuneration awarded</b>	<b>£ 1,439,807</b>