

MIFIDPRU Public Disclosure Document

PNB (UK) Limited

Date as of 26 April 2023

For the period ending 31 December 2022

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1 Overview and summary

PNB (UK) Limited (“the Firm”) 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 of 31 December 2022, covering the financial period between January 2022 to December 2022.

The Firm holds regulatory permissions of advising on, arranging and dealing in investments as an agent, so as to enable it to provide execution services to its sole client, i.e. Permodalan Nasional Berhad, which is also the ultimate holding company of the Firm

1.1 Own funds

1.1 Own funds requirements

The Firm calculates its own funds requirements as an SNI firm in line with the rules and requirements in MIFIDPRU 4.3 for SNI firms.

Minimum Own Funds Requirement			
A	Permanent Minimum Requirement (“PMR”)	£	75,000
B	Fixed Overhead Requirement (“FOR”)	£	603,551
C	Minimum Own Funds Requirement (higher of (A) and (B))	£	603,551
Ongoing Own Funds Requirement (from risk register)			
D	Ongoing Own Funds Requirement	£	78,603
E	Additional own funds for wind-down	£	1,843,496

Own Fund Threshold Requirement (OFTR)			
Minimum Own Funds Requirement			
Higher of (A), (D) and (E)		£	1,843,496
Own Fund Resources		£	2,993,073
Own Fund Resources Surplus		£	1,149,577

In addition, the Firm has completed its ICARA and analysis to determine its net wind-down requirements and any additional own fund requirements to fund its on-going operations.

The Firm's risk appetite statement and assessment of risks through its risk management framework and risk register form the basis of its ICARA and assessment of the overall financial adequacy rule in line with MIFIDPRU 7.4.7.

The Board of Directors reviews, challenges, and approves the ICARA and conclusions of own funds requirements.

1 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 Board of Directors, as the Remuneration Committee, is personally 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 Firm's Remuneration Policy sets out the criteria for setting fixed and variable remuneration. All remuneration paid to staff members is clearly categorized as either fixed or variable remuneration.

Fixed remuneration is based upon a staff member's professional experience and organizational 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 more than 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, the Firm 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 is £1,040,907

Total variable remuneration awarded is £204,204

Total remuneration awarded is £1,245,111