Brunel Pension Partnership Limited
Annual Public Disclosure 2024
Contents

1 Introduction ........................................................................................ 4
  1.1 Introduction and background ................................................................. 4
  1.2 Frequency and scope of disclosure ............................................................ 4
  1.3 Reference date, reporting period and performance period ......................... 4

2. Risk Management Objectives and Policies .................................... 5
  2.1 Brunel’s Risk Management Overview. ....................................................... 5
  2.2 Objectives for key risks categories ............................................................ 6
    2.2.1 Own Funds Risk .................................................................................. 7
    2.2.2 Liquidity Risk ....................................................................................... 8
    2.2.3 Concentration Risk ............................................................................... 8
  2.3 Policies ..................................................................................................... 9

3. Governance .................................................................................... 10
  3.1 Brunel’s governance overview ................................................................. 10
  3.2 Board of directors: .................................................................................. 11
  3.3 Table showing the board, their SMF/Role in Brunel, the scope of that role and total number of personal directorships. ......................................................... 12
  3.4 Board Sub-Committees ............................................................................ 13
    Audit, Risk and Compliance Committee (ARC) ........................................... 13
    Remuneration Committee (RemCo) ............................................................ 13
    Nomination Committee (NomCo) ............................................................... 13
  3.5 Executive Committees ............................................................................ 14
    Strategic Executive Committee (StratExCo) ............................................... 14
    Operations Executive Committee (OpsExCo) .............................................. 14
  3.6 Operational Committees ......................................................................... 14
  3.7 Shareholder Group .................................................................................. 15
  3.8 Leveraging the governance structure to provide robust Systems and Controls. ........................................................................................................... 15
  3.9 Risk Committee ..................................................................................... 16
  3.10 Ethical considerations in relation to the Board ....................................... 16
    3.10.1 Diversity and Inclusion ..................................................................... 16
    3.10.2 Conflicts of Interest ......................................................................... 17
4. Own Funds ..........................................................................................................................17

4.1 Composition of Regulatory own funds .................................................................... 17
4.2 Own Funds: Reconciliation of regulatory own funds to balance sheet in the audited financial statements ................................................................................................. 18

5 Own funds requirements ...............................................................................................19

5.1 K-factor requirements .................................................................................................. 19
5.2 Overall Financial adequacy assessment ...................................................................... 19
  5.2.1 ICARA ....................................................................................................................... 20
  5.2.2 ICARA Key Components: ...................................................................................... 20

6. Remuneration ..................................................................................................................23

6.1 Remuneration overview ............................................................................................... 23
  Objectives and philosophy............................................................................................... 23
6.3 Material Risk Takers ................................................................................................... 24
6.4 Remuneration policy and in practice .......................................................................... 24
  Remuneration Policy ...................................................................................................... 24
  Performance Criteria ...................................................................................................... 25
  Risk, Malus and Clawback ............................................................................................ 26
6.5 Total Remuneration broken down by Fixed and Variable: ....................................... 26
6.6 Guaranteed Variable Remuneration and Severance Payments .................................. 27

7. Investment Policy ...........................................................................................................27
1. Introduction

1.1 Introduction and background

This annual public disclosure (APD) has been created by Brunel Pension Partnership Limited (Brunel) in compliance with MIFIDPRU 8 of the Financial Conduct Authority (FCA) handbook.

The MiFIDPRU sourcebook was created alongside various other changes to the FCA handbook (such as SYSC) as part of the rollout of the Investment Firm Prudential Regime (IFPR) which came into force on January 1, 2022.

IFPR has replaced IFPRU and BIPRU sourcebooks and the accompanying Pillar 1,2 and 3 assessments under the old regulations, with MiFIDPRU and the accompanying Internal Capital and Risk Assessment (ICARA) and APD (which replaces Pillar 3).

The APD is an opportunity for investment firms to provide material information for clients, investors and other stakeholders. The information allows such stakeholders to gain an understanding of the firm in relation to: how it manages its risks, by whom and how it is governed, the nature of its own funds, its own fund and liquidity requirements, its overall framework to assess its own funds and liquidity and its remuneration policy and practices.

1.2 Frequency and scope of disclosure

In-scope companies need to publish their APDs on at least an annual basis alongside their annual accounts. However, should a firm determine that there has been a material change to the business, such as change in governance structure, additional public disclosures are recommended.¹

Brunel has reviewed the content of this disclosure and will publish follow up disclosures if a material change to its business occurs that would change its accuracy.

This disclosure and subsequent disclosures will be published on our website, allowing us to ensure it is easily accessible. The detail of this disclosure can be adapted on a firm-by-firm basis in relation to the firm’s size and complexity of business model/structure.²

Brunel is defined as a non-SNI investment firm for the purposes of MiFIDPRU. As such, we are in-scope of all aspects of the MiFIDPRU 8 regulations, with the exception of investment policy disclosures.³ For clarity, each section of this disclosure corresponds with the regulatory requirements in corresponding order.

1.3 Reference date, reporting period and performance period

The reference date for this disclosure is 30/09/2023. Quantitative disclosures relating to our own funds and remuneration are based on our 2022-2023 audited financial accounts, which will be

¹ See MiFIDPRU 8.1.10 and 8.1.11
² See MiFIDPRU 8.1.8
³ See MiFIDPRU 8.1.1 (4).
updated in line with all future published audited financial statements. Brunel’s performance period runs from June to the following June on an annual cycle.

2. Risk Management Objectives and Policies

2.1 Brunel’s Risk Management Overview.

Brunel maintains an overall risk management framework and policy, which is embedded into the organisational structure and culture of Brunel. Our framework and risk processes and tools are designed to allow the business to take an informed and balanced approach to dealing with risks that Brunel faces in achieving its business objectives and minimising the risk of harm.

Brunel operate a ‘three lines of defence’ model which works in conjunction with the governance framework to implement the risk management objectives (see section 3 for more details).

The ‘first line’ are the operational business units carrying out activities to achieve Brunel’s strategic objectives. The ‘second line’ are the Legal, Risk and Compliance team, headed by Kevin Jones, Director of Risk and General Counsel (DRGC) who monitor and challenge the first line, and the ‘third line’ are internal and external audit, currently outsourced to Deloitte Ltd and PKF Littlejohn LLP.

The risk management framework has 6 key components:

Risk Appetite:

Brunel’s board sets the risk appetite for all of our high-level risks. The risk appetite statements are reviewed by the board sub-committee, the Audit and Risk Committee (ARC) who make recommendations to the board.

Risk identification assessment and measurement:

Brunel maintains a risk taxonomy (categorisation), risk register, emerging risk register, key risk indicators and risk and control self- assessments (RCSAs). Brunel’s high-level risks include:

- Strategic risks
- Financial Risks
- Operational Risks
- Conduct Risks

All risks in our taxonomy are owned by a relevant person in Brunel of sufficient seniority. Our Executive directors are owners of the risks of their respective areas of oversight. They must ensure that all risks identified for every level of the taxonomy have appropriate oversight, mitigants and controls in line within our risk appetite.

Risk Mitigation and control:

- See MIFIDPRU 8.2.2 R (2)
Brunel has implemented a framework of controls to mitigate risks within the agreed appetite, these are grouped into:

- Governance controls: policies and procedures, governance oversight arrangements
- Preventative controls: controls that reduce the risk of occurrence or impact
- Detective controls: controls that identify and address risks that have materialised to reduce harm and impact.

Risk Event management:

Brunel has procedures in place for errors and incidents to be reported, managed and escalated where necessary. The process ensures formal second line oversight, including insuring root cause analysis and remediation is carried out.

Risk monitoring and reporting:

Both the first and second line have risk monitoring and reporting responsibilities, these are:

- First Line monitoring and reporting:
  - RCSAs
  - Key performance indicators (KPIs)
  - Risk escalation
  - Policies
- Second Line monitoring and reporting
  - KRI review
  - Quarterly Risk Report (QRR) which is reviewed by our executive committees, Risk and Compliance Committee and the board sub-committee, Audit and Risk Committee (ARC)
  - First line RCSA reviews
  - Risk event reviews
  - Policy governance reviews and oversight
  - Legal Risk and Compliance KPI’s.

Internal capital adequacy and risk assessment (ICARA) process

See section 5.2.1 for details on our ICARA process.

2.2 Objectives for key risks categories

As part of the risk management framework processes, Brunel assesses the probability and impact of risks across the taxonomy. The ICARA process ensures detailed quantitative assessments on potential for financial harm for Brunel, clients, and market. Brunel conducts scenario and sensitivity analysis where appropriate to determine the additional own funds and liquidity required to mitigate residual financial impact.

5 See MIFIDPRU 8.2.1R
It is the objective of all of our risk management strategies to monitor and manage all risk within our risk appetite.

2.2.1 Own Funds Risk

Own funds risk has been identified. Brunel has identified the key categories of risk to our own funds:

Market Risk:

Market risk has been defined as the risk to the firm’s assets and liabilities to market variables. Brunel does not operate a trading book or hold debt. Exposure to market risk limited to: currency exchange rates, interest rates and inflation.

These risks have a potential for harm for Brunel and no material risk of harm on our clients or markets. If inflation rises considerably, costs of external services may rise, alongside staff pay expectations. Furthermore, should exchange rates change rapidly, it may make paying for services in foreign countries.

To mitigate risk, we use: exchange rate contract provisions and forex hedging, budget and cashflow forecasting and monitoring, money market funds, budget contingencies and loss recovery arrangements with our shareholders.

Pension obligation risk:

Pension obligation risk has been defined as risk to firm’s liabilities from our defined benefit pension scheme. Higher than forecasted pension liabilities and unfunded liabilities may reduce Brunel’s regulatory capital.

These risks have a potential for harm for Brunel and no material risk of harm on our clients or markets. Brunel’s shareholders have agreed to cover pension liabilities should Brunel be unable to meet them, we hold regulatory capital for any deficit in coverage.

Credit Risk:

Credit risk is defined as failure of debtors to meet obligations. Brunel has not issued any loans. Brunel has credit risk associated with cash deposits, outstanding invoices or insurance, prepaid services, or deferred tax. If a banking partner is unable to fulfil withdrawal requests, it may make Brunel unable to pay operating costs. If a third party is unable to deliver paid services, it may lead to additional costs which could harm our financial position, and clients if we are unable to deliver certain services.

We manage this risk by only depositing with institutions with a AAA credit rating, depositing with multiple institutions with limits and regular ongoing assessments. Brunel have a treasury strategy to minimise our credit and concentration risk with counterparties.

Operational Risk:

Operational risk is defined as exposure or loss that may arise from inadequate, inappropriate, insufficient, or otherwise failed internal processes or systems, human error, or external events.

Brunel have conducted scenario analysis on operational risk areas and have determined financial risks are most associated with client dealing, product governance, regulatory compliance and office damage. The harm could apply to Brunel and our clients. For example, a regulatory fine or wiping of fixed assets. Dealing risk presents a risk to clients and...
Brunel, as market changes may lead to significant losses which need to be compensated by Brunel.

We have implemented numerous controls for our operational risk across the taxonomy. We are currently undertaking a comprehensive dealing process review, which will build and amend our current cross-team processes. We undertake formal product governance reviews annually for all portfolios, ratified by our Investment Committee, supplemented by quarterly product reviews via our Investment Risk Committee. Regulatory compliance with market abuse controls are managed by the first line and overseen via our Legal, Risk and Compliance directorate. They include system access positions, information classification and rules, staff-wide training, KRIs, compliance monitoring, risk reviews and internal audits. Office damage controls include business continuity and disaster recovery process, planning and testing.

2.2.2 Liquidity Risk

Liquidity risk has been defined as the risk Brunel will be unable to meet its financial obligations as they fall due or may do so only at a disproportionate or excessive cost. Brunel’s main risk comes from paying our staff costs and ad-hoc invoices and insurance premia. Brunel does have a complex business model and unpredictable short-term liabilities, and we are reliant on quarterly invoices from our clients, public sector bodies, for fulfilment of necessary costs. The risk of harm for Brunel would be if we were unable to maintain significant regulatory liquidity, or unable to fund ongoing operations in delivering services to our clients.

Brunel maintains various controls, policies and processes to manage our liquidity risk. These include detailed risk assessment via our ICARA process, including stress and reverse stress testing, ongoing monitoring, credit risk management, KPIs and KRIs. We also ensure purchases are controlled; client billings are planned in advance (with exception to 1st quarter).

2.2.3 Concentration Risk

Concentration risk is defined as the risk arising from concentration of Brunel’s financial assets and income. Brunel’s two areas of concentration risk arise from bank deposits and earning sources (10 clients). There is a risk of harm if Brunel is unable to withdraw cash from our banking partners to pay our staff costs and invoices with third parties. If a client were to leave the Pool or refuse to pay an invoice, it may have a larger proportionate impact to Brunel’s ability to pay our ongoing operating costs.

See our controls concerning credit risk and liquidity risk above, as these are primary controls to manage concentration risk given Brunel’s business model. However, Brunel also conduct scenario testing for our concentration risk as part of our ICARA process, see section 5.2.1 for more details.

---

6 Other risks relate to credit and market risk, see 2.2.1 own funds risk.
2.3 Policies

Brunel maintains a policy framework, which links policies to our risk categorisation model. We maintain the following policies to manage the risks described above:

<table>
<thead>
<tr>
<th>Risk Category</th>
<th>Risk Owner</th>
<th>Policies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market</td>
<td>Chief Operating Officer</td>
<td>Scheme of Delegations Policy, Procurement Policy, Outsourcing and Vendor management policy and strategy, Accounting and Disclosure Policy</td>
</tr>
<tr>
<td>Pension Obligation</td>
<td>Chief Operating Officer</td>
<td>Discretionary Pension Policy, Accounting and Disclosure framework</td>
</tr>
<tr>
<td>Credit</td>
<td>Chief Operating Officer</td>
<td>Treasury Strategy, Procurement policy, Insurance Policy</td>
</tr>
<tr>
<td>Operational</td>
<td>Chief Operating Officer</td>
<td>Risk Management Policy, Risk Event Management Policy, Operational risk assessment policy</td>
</tr>
<tr>
<td>Liquidity</td>
<td>Chief Operating Officer</td>
<td>Liquidity Policy, Liquidity Policy (investment), Insurance Policy</td>
</tr>
<tr>
<td>Concentration</td>
<td>Chief Operating Officer</td>
<td>Treasury Strategy, Partnership Pricing Policy</td>
</tr>
</tbody>
</table>
3 Governance

3.1 Brunel’s governance overview

Brunel is atypical, in the sense that the firm’s clients are also the only and equal shareholders in the business. As such, the firm’s business model is designed to facilitate controlled, organised and effective decision making to achieve good outcomes for our clients and the market.

The Governance model also promotes transparency across the business, alongside clear and formal lines of responsibility and escalation routes of decision making to the board and key stakeholders, as appropriate.

To achieve this, Brunel is managed by its board of directors, comprising an Independent Chair, four non-executive directors and three executives. Members of the board are responsible for ensuring the success of the business and setting the strategic direction and owning the implementation of the business plan.

Underneath the board sits a variety of committees at 3 levels: Board sub-committees, executive committees and operational committees. Members of the board are members and chairs of various committees, including the shareholder group where relevant. Running parallel to Brunel’s internal governance is the shareholder group, consisting of the Client group, Brunel oversight board and the Shareholder forum.

The Board are responsible for setting and monitoring the effectiveness of the governance of Brunel. The Governance Framework is owned by the CEO, which is reviewed at least annually, and any changes are approved by the Strategic Executive Committee.
With approved terms of references for each committee, the committee structure, in conjunction with the board’s statements of responsibility, allows for clear segregation of roles and responsibilities. Conflicts of interests are also mitigated via the strategic composition of the committees, alongside an internal policy and procedure for managing conflicts of interest across the company.

Brunel therefore operates with a model that is designed to be transparent, robust and efficient in ensuring prudent management of the firm’s operations.7

3.2 Board of directors8:

Executive:
Laura Chappell: Chief Executive Officer (CEO)
David Vickers: Chief Investment Officer (CIO)
Joe Webster: Chief Operating Officer (COO)

Non-Executive (NED):
Denise Le Gal: Independent Chair
Miles Geldard: Investment non-executive Director
Liz McKenzie: Shareholder Non-Executive Director
Patrick Newberry: Non-Executive Director
Roelie van Wijk: Investment Non-executive director

The board has a wealth of knowledge across the financial services sector. With decades of collective experience in financial services at various senior and executive levels, the board are well positioned to direct and manage the overall strategy of the business, to challenge senior management when appropriate to drive operations that deliver good outcomes for our clients and market.

7 See MIFIDPRU 8.3.1 and SYSC 4.3A 1R.
8 For more information on who we are, please access the ‘people’ page on our website: People - Brunel Pension Partnership
3.3 Table showing the board, their SMF/Role in Brunel, the scope of that role and total number of personal directorships.  

<table>
<thead>
<tr>
<th>Name</th>
<th>Significant management Function (SMF)/Role</th>
<th>Total Directorships</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laura Chappell</td>
<td>SMF1, SMF3 / CEO</td>
<td>2</td>
</tr>
<tr>
<td>David Vickers</td>
<td>SMF3 / CIO</td>
<td>1</td>
</tr>
<tr>
<td>Joe Webster</td>
<td>SMF3 / COO</td>
<td>2</td>
</tr>
<tr>
<td>Denise Le Gal</td>
<td>SMF9 / Independent Chair (non-executive)</td>
<td>3</td>
</tr>
<tr>
<td>Miles Geldard</td>
<td>Investment NED</td>
<td>1</td>
</tr>
<tr>
<td>Liz McKenzie</td>
<td>Shareholder NED</td>
<td>3</td>
</tr>
<tr>
<td>Patrick Newberry</td>
<td>NED</td>
<td>3</td>
</tr>
<tr>
<td>Roelie Van Wiik</td>
<td>Investment NED</td>
<td>2</td>
</tr>
</tbody>
</table>

* The required SMF functions, SMF16 and SMF17 are attributed to the Head of Operational Risk and Compliance (HORC), Katherine Farrell and Director of Risk and general counsel (DRGC), Kevin Jones respectively.

All executive directors are responsible for running the directorate of which they are head in a prudent manner. They are responsible for their directorate’s risk management identification and oversight and take an active role in the ICARA process to embed its requirements within their business areas. Executive functions are also responsible for setting the strategy for, and delivering Brunel’s responsible investment strategy, including commitments to climate change and pledge to be net-zero by 2050. Executive directors work closely with the CEO and the

---

9 A number higher than 1 will be for external directorships unconnected to Brunel. Directorships in organisations that are not commercially driven or within companies of which Brunel has qualifying holdings can be excluded. See MIFIDPRU 8.3.2 R.
board in reporting back relevant information under the scope of their directorate, and to
deliver their directorates strategic plan and objectives.10

Non-executive directors have the same general legal responsibilities to Brunel as any other
directors. NEDs are expected to commit sufficient time to fulfil expectations of their roles and
the Board undertakes an annual review of the minimum number of days required for the
proper discharge of their responsibilities. NEDs are responsible for contributing to, assessing and
challenging on the following areas: Strategy, Performance, Risk, Products, People, Culture,
Skills, Standards and Information.

3.4 Board Sub-Committees

Board sub-committees’ constituent members and chairs are NEDs, in order to limit conflicts of
interest and to ensure objectivity in carrying out their functions. Board members are invited to
attend sub-committee meetings when appropriate, however their role as guests is to provide
additional support to the committees. The Board’s sub-committees have various powers, such
as to call employees into meetings for questioning, alongside obtaining external advice in
areas they deem appropriate.

Audit, Risk and Compliance Committee (ARC)
ARC’s primary functions are:

- To assess and monitor all financial and narrative reporting, alongside additional
  reporting through board requests.
- To assess the adequacy of the firm’s risk management framework and systems.
- To coordinate and oversee internal and external audits to assess the strength and
  integrity of areas within its scope.
- To review the adequacy of the Brunel’s procedures for whistleblowing, detecting
  fraud and prevention of financial crime.
- To review and assess the adequacy and effectiveness of Brunel’s compliance
  function and compliance monitoring arrangements.
- To report all recommendations to the board with regards to the findings within its
  scope.

Remuneration Committee (RemCo)
RemCo’s primary responsibilities are:

- To set the remuneration, including pension arrangements and policy for the executive
directors and the Chair of the Board.
- To recommend and monitor the level and structure of remuneration for senior
management.
- To review periodically the appropriateness and relevance of the remuneration policy.
- To approve the design of any performance-related pay schemes operated from time
to time.

Nomination Committee (NomCo)
NomCo’s function is to:

---

10 Statements of responsibilities must be reported to the FCA for significant management in scope of the
significant management functions under SMCR regime; The board’s chair is a non-executive function
and has no role and responsibility in the day-to-day running of the business.
• To provide ongoing planning and assessment of the board’s performance (individually and collectively), composition and succession planning.
• To execute new appointments (including planning, due diligence and implementing) and manage succession planning for the board and senior management.
• To make recommendations to the board in areas within its scope, including NED appointments and the appointment of any director. Report to the board on its proceedings after every meeting.
• To report on nomination matters to the Shareholder Forum.

3.5 Executive Committees

The executive committees are responsible for the oversight and management of operations within each directorate, to ensure the board’s strategy, budgets and targets are implemented throughout the business.

Strategic ExCo provides the executive leadership of Brunel. It is chaired by the CEO and is made up of all executive directors, Head of Client Relationship and the Director of Risk and General counsel. Operational ExCo implements the strategic decisions from Strategic ExCo and is chaired by the COO; its members are the operational department heads.

Strategic Executive Committee (StratExCo)
• StratExCo executes the firm’s strategic objectives as agreed by the board, including devising and assessing the business plan, budget setting and resource allocation.
• Conducts initial staff pay reviews prior to RemCo review.
• Approves special and reserve matter requests before circulation to shareholders for approval. It also provides an opportunity for CIO, COO and DR&GC to report ahead of various committee and Investment board meetings.

Operations Executive Committee (OpsExCo)
OpsExCo is tasked with:
• Implementing decisions and take direction from StratExCo.
• Reviewing and managing strategic, business critical and client-related risks raised through various channels.
• Developing and reviewing progress of the business-plan, including key projects and financial management through agreeing allocation of resources for day-to-day and unique operations.
• Making and/or approving strategic and key cross-directorate decisions or make recommendations to StratExCo including but not limited to: procurement, new business proposals, strategies and policies, product launches.
• Escalating out-of-tolerance unmitigated risks to StratExCo.
• Reviewing and determining appropriate response to Management Information reports, in order to maintain Brunel’s delivery objectives and promote the culture and values set by the board.

3.6 Operational Committees
The purpose of the operational committees is to provide formal pipelines for decision making and operational oversight and control. They are delegated day-to-day operational responsibilities by the executive committees.

The Operations Committee (BOC) is chaired by the COO and includes senior representatives of each directorate. The core responsibilities of BOC are to review detailed elements of Brunel’s operations.

The Risk and Compliance Committee (BRCC) is co-chaired by the DRGC and the HORC. Its core functions are to oversee and review the effectiveness of risk management arrangements in the first line, the ongoing execution of Brunel’s first line controls and to assess the adequacy of proposed management actions to address risks and issues identified.

The Investment Committee (BIC) is chaired by the CIO and is made up of all investment staff. It meets monthly to provide an authoritative forum on investment matters, in order to support the CIO. BIC ensures investment decisions and governance framework get adequate scrutiny through authoritative challenge and review.

The Investment Risk Committee (BIRC) is chaired by the Head of Listed Markets and includes Investments leads, Head of investment operations and DRGC. The purpose of BIRC is to provide assurance on the management of investment risks within Brunel, in order to support the CIO. Specifically, it provides authoritative challenge and insight in the analysis of investment risk exposures generally and ensures that each Portfolio and sub-investment manager mandate is managed within its respective risk profile and overall portfolio objectives.

3.7 Shareholder Group

The Shareholder Group, which is constituted of the Brunel Oversight Board, Client Group and shareholder Forum, provide independent oversight over Brunel and its Company Board, voicing the needs of both Shareholders and Clients.

The Shareholders’ Forum meets more than twice a year and provides an opportunity for the shareholders to meet with the Shareholder Non-Executive Director (SNED). It aims to support the communications and relationship building between the Shareholders and SNED. It also provides an opportunity for communication between the shareholders as a group.

The Brunel Oversight Board is responsible for ensuring Brunel delivers the services required to achieve the investment pooling. It also provides independent assurance and oversight to shareholders on key operational controls (including audit, finance, budget, risk, compliance, operations and IT).

The Client Group provides practical and technical support, guidance and assistance to the Oversight Board. It is made up a at least one appointee from each Client.

3.8 Leveraging the governance structure to provide robust Systems and Controls.

---

11 Brunel has a full product governance policy to ensure effective management of products, which includes granular prescriptions of committee roles.
The overall governance framework as detailed above allows the board and firm to maintain appropriate and robust systems and controls in line with FCA SYSC regulations:

- Overall Oversight and direction: strategic direction, risk management and appetite and governance (including financial arrangements) alongside monitoring of the above\(^\text{12}\)
- Oversight, management and control of operations, products and policies\(^\text{13}\)
- Fitness and propriety of management and employees.\(^\text{14}\)

### 3.9 Risk Committee

Brunel is not strictly required to have a risk committee under applicable company law and governance codes. However, several committees, including most notably ARC, have dedicated functions to support risk identification and management within the business. Moreover, our risk management framework is designed for risk to be considered across every level of the business, which all internal committees consider where appropriate in order to carry out their duties.\(^\text{15}\)

### 3.10 Ethical considerations in relation to the Board

#### 3.10.1 Diversity and Inclusion

Brunel maintains a framework for ensuring we provide equality, diversity and inclusion in the workplace. The objective of this policy, which applies to all employees and associated persons of Brunel, is to promote and protect the ethical standards and values set by the board. The policy sets out the expectations of all staff in respect of the treatment of staff, alongside the process by which action is taken in the event of a breach of those expectations. The policy gives enhanced information on the protected groups that may be at particular risk of discrimination and highlights the various forms discrimination can take. The policy highlights how diversity and inclusion is considered in the appointment of staff, and points to guidance for managers in hiring campaigns in relation to the Equality Act 2010; alongside how internal promotion and appraisal processes avoid unethical and unlawful discrimination.

Since Brunel is not a listed company, it is not currently subject to the FCA’s board-level diversity targets. However, NomCo considers the current level and benefit of diversity in the board when making any appointments.

\(^{12}\) SYSC 4.3A.1R  
\(^{13}\) SYSC 4.3A.1A R  
\(^{14}\) SYSC 4.3A.3R; Brunel has processes for assuring the Fitness and Propriety of its staff, including F&P and appraisals for certified staff.  
\(^{15}\) MiFIDPRU 7.1.4 R
3.10.2 Conflicts of Interest

Brunel also maintains a framework and process for managing conflicts of interest across the business. The Chief Executive Officer (CEO) has overall accountability for the underlying policy and for reviewing the effectiveness of actions in response to conflicts raised. All new staff must attest that they have read and understood the policy, and refresher training is administered when appropriate.

Operationally, the Legal, Risk and Compliance team maintains a log of all raised conflicts of interest, which provides sufficient details of the conflict, alongside any appropriate actions taken to either avoid, mitigate manage and disclose conflicts. This includes maintaining accurate record-keeping on all of the executive and non-executive related party affiliations. This process helps mitigate any harm to clients or market that could occur from external conflicts of interests. Conflicts of interest are also mitigated within the board sub-committees via their composition being made up of non-executive directors.

This is particularly important when assessing the board’s performance, remuneration and general adequacy of the processes and directorates for which they are responsible.

4. Own Funds

Own funds of a firm are the sum of its: common equity tier 1 capital, additional tier 1 capital, and tier 2 capital. A lack of suitable own funds and liquidity was seen as a key driver of the 2007/08 economic crisis. The FCA has outlined classifications of the types of capital that are used in the calculation of own funds. The defined ‘capital tiers’ also facilitates the FCA providing regulations around the type of capital a firm can hold to satisfy its regulatory requirements.

4.1 Composition of Regulatory own funds

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount (£’000)</th>
<th>Source based on reference numbers/letters of the balance sheet in the audited financial statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 OWN FUNDS</td>
<td>6,908</td>
<td></td>
</tr>
<tr>
<td>2 TIER 1 CAPITAL</td>
<td>6,908</td>
<td></td>
</tr>
<tr>
<td>3 COMMON EQUITY TIER 1 CAPITAL</td>
<td>6,908</td>
<td></td>
</tr>
<tr>
<td>4 Fully paid-up capital instruments</td>
<td>0</td>
<td>Note 22</td>
</tr>
<tr>
<td>5 Share Premium</td>
<td>8,400</td>
<td>Note 23</td>
</tr>
<tr>
<td>6 Retained Earnings</td>
<td>-2,823</td>
<td>Note 23</td>
</tr>
<tr>
<td>7 Accumulated other comprehensive income</td>
<td>1,644</td>
<td>Note 23</td>
</tr>
<tr>
<td>8 Other Reserves</td>
<td>-</td>
<td>Note 23</td>
</tr>
<tr>
<td>9 Adjustments to CET1 due to prudential filters</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>10 Other Funds</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>11 (-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1</td>
<td>312</td>
<td></td>
</tr>
</tbody>
</table>
4.2 Own Funds: Reconciliation of regulatory own funds to balance sheet in the audited financial statements.

<table>
<thead>
<tr>
<th></th>
<th>CET1: Other capital elements, deductions and adjustments</th>
<th>312</th>
<th>Note 11</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>ADDITIONAL TIER 1 CAPITAL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Fully paid up, directly issues capital instruments</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Share Premium</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Additional Tier 1: Other capital elements, deductions and adjustments</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>TIER 2 CAPITAL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>Fully paid up, directly issues capital instruments</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>Share premium</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>(-) TOTAL DEDUCTIONS FROM TIER 2</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Tier 2: Other capital elements, deductions and adjustments</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

**Assets – Broken down by asset classes (£'000)**

<table>
<thead>
<tr>
<th></th>
<th>Tangible Fixed assets</th>
<th>153</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Long term debtors</td>
<td>50</td>
</tr>
<tr>
<td>3</td>
<td>Deferred tax asset</td>
<td>312</td>
</tr>
<tr>
<td>4</td>
<td>Current debtors</td>
<td>1,100</td>
</tr>
<tr>
<td>5</td>
<td>Cash at bank and in hand</td>
<td>11,525</td>
</tr>
<tr>
<td></td>
<td><strong>Total Assets</strong></td>
<td><strong>13,141</strong></td>
</tr>
</tbody>
</table>

**Liabilities – Broken down by liability classes (£'000)**

<table>
<thead>
<tr>
<th></th>
<th>Current Liabilities</th>
<th>5,779</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Net defined benefit obligations</td>
<td>0</td>
</tr>
<tr>
<td>3</td>
<td>Provisions for other liabilities</td>
<td>141</td>
</tr>
<tr>
<td></td>
<td><strong>Total Liabilities</strong></td>
<td><strong>5,920</strong></td>
</tr>
</tbody>
</table>

**Shareholder’s Equity (£’000)**

<table>
<thead>
<tr>
<th></th>
<th>Called up share capital</th>
<th>0</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Share premium account</td>
<td>8,400</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>Pension reimbursement reserve</td>
<td>0</td>
<td>8</td>
</tr>
<tr>
<td>4</td>
<td>Retained earnings</td>
<td>-1,179</td>
<td>6+7</td>
</tr>
<tr>
<td></td>
<td><strong>Total Shareholders’ Equity</strong></td>
<td><strong>7,221</strong></td>
<td></td>
</tr>
</tbody>
</table>

Own funds: main features of own instruments issued by the firm
5 Own funds requirements

The own funds requirement details the regulatory minimum of own funds it needs to always hold to mitigate the risk of harm from ongoing operations and wind down, including the associated calculation methodologies.

To calculate the baseline risk of ongoing operations, the FCA uses K-factors, which allow for a scale in potential harm to clients and markets. To calculate the minimum own funds required for orderly wind down, the FCA uses the Fixed Overhead Requirement (FOR).

The own fund requirement is the highest of: Permanent Minimum Requirement (PMR), K-factor requirements and FOR.

Brunel has calculated that given our operational business model, the two K-factors that apply to us are K-AUM (relating to assets under management) and K-COH (relating to client orders handled). Brunel’s fixed overhead requirement has been assessed to be 1/4 of fixed overheads for the previous year.  

5.1 K-factor requirements

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount (£’000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>K-Factor Sums</td>
<td></td>
</tr>
<tr>
<td>∑ K-AUM C-CMH – K-ASA</td>
<td>1,007</td>
</tr>
<tr>
<td>∑ K-COH K-DTF</td>
<td>37</td>
</tr>
<tr>
<td>∑ K-NPR K-CMG K-TCD K-CON</td>
<td>-</td>
</tr>
<tr>
<td>Fixed overhead requirements (FOR)</td>
<td>3,051</td>
</tr>
</tbody>
</table>

5.2 Overall Financial adequacy assessment

---

16 See MiFIDPRU 4.5.1 R: The FCA’s definition is ‘an amount equal to one quarter of the firm’s relevant expenditure during the preceding year’ which is calculated in accordance to MiFIDPRU 4.5.3 R
5.2.1 ICARA

Ensuring that Brunel is maintaining appropriate levels of own funds is an integral part of its Risk Management Framework. Under the IFPR regulations, this takes the form of our Internal capital adequacy and risk assessment (ICARA) process.\(^{17}\)

This is an ongoing process of assessing the level of own funds and liquidity we are required to maintain, through financial, risk, and scenario assessments.

The sum of these assessments is the ICARA document, which includes the methodologies and results from the process, alongside an assessment of the process itself. The ICARA process ensures that we hold and will be able to hold the appropriate level of own funds and liquidity to comply with MIFIDPRU and to protect the shareholders, clients, and markets from harm in the event of unmitigated risk events and/or wind-down.

Therefore, any material changes to Brunel’s business or operating model, or wider risk assessment and framework would trigger an ICARA impact assessment, the findings of which would be presented by the board for review. This is supported by our change management policy, which includes a requirement to review impacts on risk landscape and ICARA.

5.2.2 ICARA Key Components:

**Business model, Strategy**

Maintaining reference to our overarching business model, strategy and plan is important in the overall ICARA process. Our model has a large influence on the amounts of capital and liquidity we can hold and are likely to hold in future, given the nature of our revenue stream and costs. The governance and business model also informs the development, oversight and application of our risk management framework, shaping the nature and ownership of risks, i.e. income concentration.

**Financial & Capital Position:**

The assessment of our current and projected financial & capital position is an essential component for us to be able to assess our ability to meet our own funds and liquidity requirements. Brunel also undertakes monitoring of financial adequacy, including threshold triggers and the appropriate actions should relevant thresholds be breached, which is incorporated into Brunel’s existing risk management framework.

**Risk Management and ICARA:**

Brunel’s risk management framework underpins the ICARA process by providing the underlying risk assessments which inform the scenario analyses required to calculate additional own funds and liquidity requirements.

Our risk management framework facilitates our ability to identify, assess and mitigate risks at each level of our risk taxonomy in line with our risk appetite. In conjunction with analysis of our business and funding model, this allows us to analyse ‘severe but plausible’ scenarios for the purposes of calculating additional own funds and liquidity requirements.

\(^{17}\) See MIFIDPRU 7.8.7 R
Own Funds and Liquidity Assessment:

All MiFIDPRU firms must comply with the overarching Overall Financial Adequacy Rule (OFAR), where a firm must, at all times, hold adequate amounts and quality of own funds and liquidity.18

The total amount of own funds required is the ‘Own Funds threshold requirement’ (OFTR). The OFTR uses the constituent basic own funds requirement calculations (Ongoing operations (K-factor) & Wind down (FOR)) and requires additional firm-led risk assessments of those two factors, to determine the total amount of own funds needed to be held.

The OFTR is the highest of: Permanent Minimum Capital Requirement (PMR). Ongoing operations assessment (K-Factor + additional own fund requirements) and Wind down assessment (FOR + additional wind-down risk assessment). 19

The ‘Liquid Asset threshold requirement’ (LATR) is the sum of the basic liquid asset requirement (1/3 of FOH) + the highest of total liquid assets required to fund ongoing operations (at any given point in time and during periods of stress) and to commence orderly wind down. 20

Brunel has calculated and assessed the level of own funds and liquidity we will be required to hold based on the regulatory calculations and our risk assessments applied to our 2023 financial accounts. We then use projected forecasting to assess whether we will be able to maintain the necessary amounts; given our projected financial accounts and risk appetite & assessment.

Using our current and projected financial accounts, we have been able to forecast our future own funds and liquidity. The board have concluded, based on these projections and our ongoing risk assessment, that we are very likely to be able to maintain the required liquid assets and own funds over the next 3 years.

Stress and reverse stress testing. 21

As part of our compliance with MiFIDPRU, and to test the robustness of our ability to meet our current and projected own funds and liquidity requirements, we conducted stress and reverse stress testing on our own fund and liquidity calculations, using severe but plausible stress scenarios (each scenario being broken down into varying levels of severity). To do this we use our 2024-2026 business plan forecasts.

The two scenarios we used were: 1. Loss of our largest client & 2. Invoiced income not received when due. For both scenarios we highlighted the detail of the assumptions, consequences on our own funds and liquidity, and our recovery plan.

Based on this analysis the board has concluded that, for scenario 1, Brunel will continue to be adequately capitalised. For scenario 2, in all but the most extreme scenarios (over 50% of quarterly invoiced income unpaid), we would remain viable to operate until the next quarterly income invoice.

---

18 See MiFIDPRU 7.4.7 R
19 See MiFIDPRU 7.6.4 G
20 See MiFIDPRU 7.7.4 G; MiFIDPRU 7.7.5 G
21 See MiFIDPRU 7.5.4.3; MiFIDPRU 7.5.4. As Brunel is not a large and complex firm, we are not required to conduct reverse stress testing, however we believe it is best practice in order to mitigate financial risk.
We also conducted reverse stress testing, in which we used a scenario that could cause Brunel’s business plan to become unviable. This scenario was based on our business model, nature of our clients and income and our risk assessments, namely:

Client dispute resulting in invoices not being raised and therefore no cash receipt for client’s share of costs.

Using a similar methodology for the stress testing, we modelled the impact of the scenario by breaking the scenario down by severity and applying it to our current and projected financial and business forecast.

The reverse stress testing revealed that Brunel could continue to meet its regulatory capital target in FY25 if it suffered a full year loss of income of up to c25% (subject to it implementing a programme of cost saving measures).

Other additional risk factors, such as macroeconomic, political or operational stress events were considered, but it was concluded that the likely outcome of the scenarios would not impact Brunel in a way that necessitated its own scenario stress-test.

Wind down planning

Brunel has created a wind-down policy which sets out how the firm would oversee a cessation of regulated activities with minimal adverse impact on Brunel’s clients, counterparties, or the wider markets.

Our wind down governance and plan is detailed within the policy, which includes the steps regarding working with our clients, assessing the situation-specific risks and financial impact, and the planned process and timeline for the investment products and assets to be transferred as Brunel winds down. In addition, it sets out transitional arrangements for clients’ assets to be maintained in a stable pooled structure ensuring compliance with their regulatory obligations.

The financial modelling with respect to our wind down plan allows us to conclude that Brunel is very likely to be able to maintain our OFTR and LATR throughout the wind-down process.

ICARA Process Review

The underlying company-wide risk management framework and procedures on which much of the ICARA is based is owned by the Director of Risk and General Counsel. ARC review the policy and sign-off the policy on behalf of the board at least bi-annually.

Financial adequacy is monitored as a part of our risk management framework by the Finance function against the internally defined Key Risk Indicators and regulatory thresholds, with reporting and oversight within the Operations directorate and the governance committees.

Stress testing is undertaken at least annually. Further stress tests are undertaken on an ad hoc basis in response to concerns about changing external conditions.

Wind down planning is reviewed with the ICARA document at least annually, alongside ad-hoc reviews if there is a material change in the business model or risk profile.

ARC and the board review the entire ICARA document at least annually, including the constituent processes by which the assessment has been made; ensuring it is compliant with

---

22 See MiFIDPRU 7.5.7 R.
MIFIDPRU. The 2024 version of the ICARA document was reviewed by the Audit, Risk and Compliance committee on, and was approved by the Company Board on 18/01/24.

The ICARA process is also subject to internal audit to provide assurance that the regulatory requirements have been met, in conjunction with external audit of our financial accounts, to ensure that the process is underpinned by prudent and accurate accounting practices.

6. Remuneration

6.1 Remuneration overview

Objectives and philosophy

Brunel’s remuneration policy is designed to promote effective risk management, good corporate governance and to incentivise directors and employees to achieve Brunel’s business plan and strategic goals.

To achieve this, Brunel will:

- maintain transparent and sustainable total compensation benchmarking process to remunerate in line with competitors, other LGPS pools.
- Assess eligibility for any annual increases in remuneration against specific performance criteria
- Assess both the financial and non-financial performance of directors and employees
- Provide variable compensation to employees and directors via a value for money (VFM) scorecard agreed and aligned to shareholder aims
- Ensure no director has a role in setting their own pay
- Ensure appropriate levels of insurance in place for all directors.

6.2 Remuneration Governance

The remuneration policy is approved by RemCo and Shareholders. The remuneration policy sets out the key components, alongside the strategy of remuneration for Brunel. This has been designed to comply in full with the MIFIDPRU remuneration code.

Please see section 3.4 for details on RemCo. Furthermore, given Brunel’s structure, Shareholders also approve Brunel’s budget annually, which includes salary budget.

Brunel StratExCo members meet annually to support the CEO in determining compensation outcomes for staff (excluding StratExCo members), including recognition awards. RemCo oversee the decision making of the StratExCo, to ensure compliance with the remuneration policy and people strategy.

23 See MIFIDPRU 8.6.2 R
24 See SYSC 19G.1.24G for FCA guidance on determining ‘staff’ for MIFIDPRU remuneration code. For the purposes of this disclosure, staff/employees excludes contractors, consultants and NEDs, however the principles of the remuneration policy would apply to compensation for any individuals or companies we contract with.
25 See MIFIDPRU 8.6.2 R (3).
The second-line compliance function conducts independent compliance monitoring annually on Brunel’s compliance with MiFIDPRU remuneration code, alongside less frequent internal audits.

More detailed information on the role of various governance committees and processes relating to Remuneration are included in the relevant sections in this disclosure.

6.3 Material Risk Takers

Material Risk Takers (MRTs) are defined as individuals whose professional activities could have a significant impact on the risk profile of the firm and the assets it manages.

Brunel applies the regulations in SYSC 19G to our business model and organisational structure, and broadly determines MRTs to be heads of functions (assuming there is not an MRT who supervises on a day-to-day basis) and members of decision-making committees, for example BIC or ExCo.

RemCo oversee the process for determining the selected employees and their roles and sign off on the comprehensive list of MRTs annually.

Brunel has identified 23 members of staff who are Material Risk Takers.

6.4 Remuneration policy and in practice

Remuneration Policy

Brunel’s remuneration policy is designed to achieve its objectives and philosophy.

In practical terms, Brunel offers all staff:

**Fixed:** Base salary, LGPS defined benefit pension scheme and a defined contribution scheme opt-in.

**Variable:** variable bonus distributed evenly to all employees, special achievement awards (to staff, not Directors), discretionary pension benefits, long service awards.

Brunel also offers various non-cash benefits such as private healthcare, electric vehicle scheme.

RemCo is able, in exception circumstances, to provide additional compensation for executive directors in the event of forfeiture of salary/benefits, relocation and the amount would be limited to the forfeiture.

The policy has been written in consultation with PwC.

---

26 See MiFIDPRU 8.6.4 R.
27 As per SYSC 27.8.5, classification of an MRT as a certified function.
28 See MiFIDPRU 8.6.6 R.
29 This scheme is administered by Wiltshire Pension Fund
30 If a member of staff earns over £145,000 p/a salary, they will be unable to access the LGPS DB pension scheme and will instead have an option to join Brunel’s DC scheme.
31 See subsection titled, ‘variable remuneration and performance’ for more details on the VFM scorecard and the limit on variable remuneration. Special recognition awards will be phased out for the 2023-2024 performance period.
Performance Criteria

Brunel uses a corporate grading and competency framework for all staff, on which salary benchmarking and corporate planning determinations are based. In order to move up a corporate grade or competency, an employee must demonstrate competency.

Brunel operates a robust performance review process to assess employees’ performance, taking account of:

• the scope of the role;
• the level of experience;
• responsibility;
• progress in role;
• pay levels for similar roles in comparable companies;
• fairness & equality; and
• regulatory compliance.

In assessing individual performance, financial, as well as non-financial, criteria are taken into account. Non-financial criteria include consideration of Brunel’s capability to manage risk, adherence to effective risk management, compliance, regulatory requirements and conduct.

Brunel have a ‘red-flag’ process, which takes specific criteria, such as absence, conduct, via warnings or e-learning and formal performance reviews which is considered in StratExCo’s decision making.

RemCo, in determining fixed remuneration for executive management will also factor performance of the individual’s business unit and Brunel.

Though, as per section 2.1, subsection 5, Brunel review KPIs at a business unit level, these are not formally linked to business-unit remuneration determinations.

Variable remuneration and performance 32

Brunel does not have a typical fixed/variable pay structure. The performance-related pay for the financial year came via the form of fixed special recognition awards. As per our renewed remuneration policy, Brunel will pay a variable pool of cash which is distributed evenly to all employees, based on our VFM scorecard.

The determination of performance of Brunel against the VFM scorecard will be made by RemCo.

Variable remuneration is capped at 25% of total compensation for all staff.

The VFM scorecard process is not finalised, however it will involve metrics from across the business, broken into categories such as financial performance via fee savings, client satisfaction via client surveys, internal processes such as risk management and compliance alongside operational and responsible investment performance and employee satisfaction and strategic targets.

32 See MIFIDPRU 8.6.6 R (2).
The scorecard is therefore designed to promote the values of Brunel and in particular, support the delivery of effective and well-managed services for our clients.

**Risk, Malus and Clawback.**

See section 2 for details on Brunel’s risks and our approach to risk management.

**Variable Remuneration:**

Ex-Ante and Ex-post risk adjustments for variable remuneration will be factored into the VFM scorecard once it is finalised, please see section 6.1 subsection: variable remuneration and performance).

Due to the nature of special recognition awards and the VFM scorecard, which is distributed evenly to all employees, in conjunction with an assessment of the materiality of the amounts issued, Brunel has determined Malus and Clawback provisions would be very unlikely to need execution, however we do reserve the right.

**Fixed Remuneration:**

As per section 6.4 subsection: performance criteria, Brunel use a corporate grading and competency framework for all members of staff. Risk is considered when determining the level of competency an employee, and therefore commensurate remuneration increases relative to any movement of grade.

StratExCo receive a quarterly risk report which provides an overview of the risks currently facing Brunel. Moreover, the committee receives recommendations from Human Resources and a quarterly report on business-unit KPIs, which are linked to Brunel’s risks, including people. StratExCo also take a risk-based approach in determining alignments to benchmarking based on Brunel’s risk appetite.

StratExCo also utilise the ‘red flag’ process as described; this is an additional risk-based guide for decision making.

The outcomes of StratExCo will be reviewed by RemCo, to ensure that the policy has been implemented and complied with. RemCo receives an annual report from ARC, with a judgement on if Brunel has operated within its risk appetite. In an event that this has occurred, RemCo is able to adjust variable remuneration on a business-wide and individual basis.

Brunel does not offer guaranteed variable remuneration.

**6.5 Total Remuneration broken down by Fixed and Variable:**

MRTs have been identified as explained in section 6.3. Given our central governance arrangements, senior management have been determined, broadly, to be voting members of decision-making committees, including the board.

---

33 See MIFIDPRU 8.6.6 R (3).
34 See MIFIDPRU 8.6.8 R
Given our central governance arrangements, all but one member of staff who is an MRT is considered Senior Management. For this reason, we have aggregated Senior Management and MRT to avoid the identification of a single member of staff.35

<table>
<thead>
<tr>
<th>Staff Type</th>
<th>Total Remuneration (£’000)</th>
<th>Fixed Remuneration (£’000)</th>
<th>Variable Remuneration (£’000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Management &amp; MRTs</td>
<td>2,385</td>
<td>2,383</td>
<td>2</td>
</tr>
<tr>
<td>Other Staff</td>
<td>3,339</td>
<td>3,304</td>
<td>34</td>
</tr>
</tbody>
</table>

6.6 Guaranteed Variable Remuneration and Severance Payments36

Brunel did not offer or pay any guaranteed variable remuneration or severance to any material risk taker in the period.

7. Investment Policy

Given the size of Brunel, we do not currently need to disclose our investment policy. Should we meet the conditions in future, we will disclose it in accordance with applicable requirements.37

35 In compliance with MIFIPRU 8.6.8R (7)(a); Brunel made payments as part of our ‘refer a friend’ scheme, which for full completeness were included in the fixed remuneration disclosures.
36 See MIFIDPRU 8.6.8 R (5).
37 See MIFIDPRU 8.7.1 R, and MIFIDPRU 7.1.4R for the conditions for Risk and Nomination Committees.