

MIFIDPRU 8

Disclosure for SNI Firms without Additional Tier 1 Capital

REMUNERATION DISCLOSURE for the 12 months to 31 December 2025

The Investment Firms Prudential Regime (IFPR) is the FCA's new prudential regime for MiFID investment firms which aims to streamline and simplify the prudential requirements for UK investment firms. IFPR came into effect on 1st January 2022, and its provisions apply to Kennet Partners Limited (or the Firm) as an FCA authorized and regulated firm.

The public disclosure requirements of IFPR are set out in MIFIDPRU 8, replacing the previous Pillar 3 requirements under BIPRU 11.

The Firm can be classified as a SNI firm given it does not breach any requirements set out in MIFIDPRU 1.2.1 R.

Kennet Partners Limited is required to disclose the following information:

Remuneration Policy and Practices (MIFIDPRU 8.6)

The Firm is authorised and regulated by the Financial Conduct Authority and is a SNI firm subject to FCA Rules on remuneration. Its remuneration policy is designed to ensure that it complies with the Code and that its compensation arrangements:

- are consistent with and promote sound and effective risk management;
- do not encourage excessive risk taking;
- take into account the long-term performance of the Group;
- include measures to avoid conflicts of interest;
- are gender neutral; and
- are in line with the Firm's business strategy, objectives, values and long-term interests.

Objective

The Group's objectives are to implement and maintain a remuneration policy that supports a performance culture based on merit, rewarding excellent performance within the parameters of its regulatory obligations. The policy aims to blend Fixed and Variable Compensation in a manner that reflects the Group's values and also the value and responsibility of the individual's role within the Group whilst influencing appropriate behaviour, compliance with regulatory standards and risk management practice, and the need to pay due regard to the interests of the Company's clients and to treat them fairly.

The remuneration policy takes into account the long-term performance of the Group, the interests of its underlying investors and the aim of attracting and retaining staff of an appropriate calibre and expertise who are motivated to achieve these results with integrity and fairness.

The Group is committed to responsible compensation practices and recognises the need to reward its staff fairly and competitively based on performance which must be balanced against the requirement to do so within the boundaries of integrity, appropriate behaviour and actions especially in the context of compliance, risk management and controls. The remuneration policy aims to compensate staff fairly in a way that does not encourage excessive risk taking, misconduct, violation of applicable laws, rules, guidelines or regulations.

Proportionality

The Firm has applied the relevant proportionality provisions and as such, this disclosure is made in line with the requirements.

Given the Firm's classification as a small and non-interconnected (SNI) firm, the disclosure is proportionate to the nature, scale and complexity of its activities.

Application of the requirements

This disclosure is made in accordance with the Firm's size, internal organisation and the nature, scope and complexity of its activities.

Summary of information on the decision-making process used for determining the Firm's remuneration

The Board of Kennet Advisors LLP recommends a bonus allocation based on the Group's bonus pool. The determination of remuneration and bonuses for employees is the ultimate responsibility of the Firm's Board.

The key principles can include but are not limited to the long-term performance and financial stability of the Group, aligning staff interest with long-term interest of the Group, individual performance and responsibilities, being able to attract and retain appropriately qualified, competent and experienced staff, regulatory standards of conduct, does not encourage risk taking and avoids conflicts of interest.

Summary of how the Firm links pay and performance

The available bonus pool for staff is determined by the overall profitability of the company, the Group and the competitive landscape for personnel in related businesses. The level of variable remuneration granted also referred to as a discretionary variable incentive award (or bonus), is entirely discretionary.

Compensation comprises a mix of Fixed and Variable components and as such is designed to ensure adequate consideration of risk in remuneration decisions.

In GBP	Fixed remuneration	Variable remuneration
All Staff	983,703.65	144,438.00