

KVB Prime (UK) Limited – Remuneration Disclosure

This disclosure contains details on how KVB Prime (UK) Limited comply with our obligations under the Financial Conduct Authority's (FCA) rules on Remuneration (SYSC19A).

Introduction

KVB Prime (UK) Ltd ("**KVB Prime**") is authorised and regulated by the Financial Conduct Authority (the "**FCA**") as an IFPRU limited activity firm and as such, is subject to the FCA's rules on remuneration. This disclosure is being made under SYSC.3.12A. The FCA's Remuneration Code is located in the Systems and Controls¹ section of the FCA Handbook. The Remuneration Code (the "**Code**") covers an employee's total remuneration, fixed and variable. KVB Prime rewards staff through fixed remuneration.

KVB Prime provides online access to foreign exchange spot, CFDs markets via its MT4 trading platform. The firm's services are offered to Retail Clients, Professional Clients and Eligible Counterparties, as defined by the EU Markets in Financial Instruments Directive (MiFID).

Our policy is designed to comply with the code² and to ensure that KVB Prime's compensation arrangements:

- Is consistent with and promotes sound and effective risk management³
- Do not provide incentives for excessive risk taking that exceeds the level of tolerated risk of KVB Prime⁴
- Include measures to avoid conflicts of interest⁵; and
- Are in line with the business strategy, objectives, values and long-term interests of KVB Prime.

Proportionality

Enshrined in the European remuneration provisions is the principle of proportionality. The FCA has sought to apply proportionality in the first instance by categorising firms into three levels. KVB Prime falls within the FCA's proportionality level three and, as such, this disclosure⁶ is made in line with the requirements for a level three firm⁷.

Application of the requirements

Under the Remuneration Principles for IFPRU Firms, KVB Prime will ensure the implementation of the remuneration policy is at least annually, subject to central and independent internal review for compliance with policies and procedures for remuneration adopted by the board of directors⁸. KVB Prime's disclosure is made in accordance with our size, internal organisation and the nature, scope and the complexity of our activities.

Summary of information on the decision-making process used for determining remuneration policy

- Due to the size, internal organisation and the nature, the scope and complexity of our activities, KVB Prime is not required to appoint a Remuneration Committee⁹. Salaries across KVB Prime are set via management consultation, using a market-based approach to ensure that our reward structure is fair and attractive.
- KVB Prime's board took ownership of the implementation of this policy and have pledged to adopt and periodically review the general principles of the Remuneration Policy¹⁰ or review following a significant change to the business requiring an update to its Internal Capital Adequacy Assessment (ICAAP).
- Liaised with departments within KVB Prime to identify Remuneration Code Staff and determine the remuneration of staff.

¹ SYSC 19

² SYSC 19A.3

³ Article 92 1.2(a) of the CRD

⁴ Article 92 1.2(a) of the CRD

⁵ SYSC 19A.3.9

⁶ SYSC 19A.3.12A

⁷ FG 17/6 3.4.4 Table 2

⁸ SYSC 19A.3.11

⁹ SYSC 19A.3.12A

¹⁰ SYSC 19A.3.10

Governance

- Employees are remunerated by the means of fixed pay, including pensions and benefits. As all members of staff are on a fixed based salary, this provide no incentive to take risks.¹¹
- Employees are remunerated based on their contribution to the overall business strategy, objectives, values and long term-interests of KVB Prime¹²
- Employees engaged in controls functions are independent from the business units they oversee, have appropriate authority, are remunerated in line with the industry standard and in accordance with the achievement of the objectives linked to their functions and independent of the performance areas they control.¹³
- KVB Prime have a policy in place to identify potential conflicts of interest. Once a conflict has been identified, procedures are implanted to ensure it is appropriately managed.¹⁴
- KVB Prime have maintained and will continue to maintain a record of it's Remuneration Code Staff in accordance with the general record keeping requirements.¹⁵
- KVB Prime have and will continue to consider the national criteria on wage settings. For fixed remuneration, this primarily reflects relevant, professional experience and organisational responsibility as set out in an employee's job description as part of the terms of employment.¹⁶
- Senior Officers in Risk Management and Compliance Functions are directly overseen by the Board of Directors.¹⁷

¹¹ SYSC 19A.37

¹² SYSC 19A.3.8

¹³ SYSC 19A.3.14

¹⁴ SYSC 19A.3.9 & SYSC 19A.3.30

¹⁵ SYSC 19.3.5 (SYSC 28.4.2)

¹⁶ CRD 92 (2)(g)(i) & SYSC 19.3.35A(1)

¹⁷ SYSC 19A3.16