



Cibus Capital LLP
(the “Firm”)

Annual Remuneration Disclosures

Year end: 31 March 2023



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1 Public Disclosure Policy

1.1 Introduction

The Investment Firms Prudential Regime (“**IFPR**”), implemented in January 2022, requires all MiFID investment firms to make certain public disclosures according to Financial Conduct Authority (“**FCA**”) rules, increasing transparency and giving an insight into how the business is run.

Under the IFPR, the Firm is categorised as a small and non-interconnected (“**SNI**”) MIFIDPRU investment firm.

1.2 Overview and governance

The Firm prepares public disclosure and other required external publications to increase confidence and transparency and provide stakeholders and market participants an insight into how the Firm is run. We understand that public disclosures are a core part of market discipline, providing important information and transparency to participants to enable markets to work well.

An established internal controls framework is in place to ensure that the disclosure, including other external publications, meet the relevant regulatory requirements and standards. As such, prior to external publication, the documents are subject to internal verification and approval by the management board of the Firm.

1.3 Regulatory background

The public disclosure requirements applicable to the Firm as an entity authorised to undertake MIFID regulated activities, are contained in MIFIDPRU 8 of the FCA Handbook, which came into force from 1 January 2022. The disclosure containing both qualitative and quantitative data are made annually, on a solo entity basis or more frequently in the event of a material change.

Based on the Firm’s IFPR prudential classification as being a SNI firm, the public disclosure document will be prepared to contain information in relation to remuneration policy and practices.

1.4 Disclosure timing requirements

The Firm is required to publicly disclose the information specified in this Policy on an annual basis on the date it publishes its annual financial statements on Companies House, which is on 28 July 2023.

1.5 Disclosure location

The information under MIFIDPRU 8.1 that is required to be disclosed by the Firm, will be published on the Firm’s website: <http://www.cibusfund.com/>.

1.6 Issuance of Additional Tier 1 instruments

The Firm did not issue Additional Tier 1 Capital (“**AT1 capital**”). As a result, the Firm is not subject to the disclosure requirements under MIFIDPRU 8.2, 8.4 and 8.5, relating to the risk management objectives and policies, own funds and own funds disclosure requirements.

2 Public Disclosure

2.1 Introduction

The IFPR is the FCA's prudential regime for MiFID investment firms which aims to streamline and simplify the prudential requirements for UK investment firms. The IFPR came into effect on 1 January 2022 and its provisions apply to Cibus Capital LLP (the "Firm") as an FCA authorised and regulated firm.

Under the IFPR, the Firm is categorised as a SNI MIFIDPRU investment firm.

The Firm is required to publish disclosures in accordance with the provisions outlined in MIFIDPRU 8 of the FCA Handbook. This disclosure document covers all aspects of the disclosure requirements within the scope of the MIFIDPRU rules applicable to SNIs that have not issued additional tier 1 instruments. Specifically, disclosure relating to the Firm's remuneration policy and practices.

The disclosure is published on the Firm's website: <http://www.cibusfund.com/>.

The Firm believes that its qualitative disclosures are appropriate to its size and internal organisation, and to the nature, scope and complexity of its activities.

This disclosure has been ratified and approved by the Management Board of the Firm.

The annual audited accounts of the Firm set out further information which complements the information in this disclosure. The audited accounts are freely available from UK Companies House.

This document does not constitute any form of financial statement on behalf of the Firm. The information contained herein has been subject to internal review but has not been audited by the Firm's external auditors.

2.2 Objectives

This document sets out the public disclosure under MIFIDPRU 8 for the Firm as of 31 March 2023, which is the Firm's accounting reference date.

As a MIFIDPRU investment firm, we must establish and implement disclosure requirements to provide investors, stakeholders and wider market participants an insight into how the Firm is run. This disclosure sets out the overarching requirements that apply to the Firm.

2.3 Policy and Disclosure Validation

The Firm is committed to having robust internal controls to ensure the completeness, accuracy, and compliance with the relevant public disclosure regulatory requirements.

This document has been subject to internal governance and verification process, and approval by the Management Board of the Firm in line with the Public Disclosure Policy that the Firm has adopted to ensure compliance with the regulatory requirements contained in MIFIDPRU 8.

The Policy requires internal challenge and oversight prior to approval and publication.

3 Remuneration Policies and Practices

3.1 Introduction

As a MIFIDPRU investment firm, we must establish, implement and maintain gender neutral remuneration policy and practices that are appropriate and proportionate to the nature, scale and complexity of the risks inherent in the business model and the activities of the Firm. Our remuneration policy and practices are gender neutral and do not discriminate employees on the basis of gender or other characteristics.

Remuneration is based upon consideration of qualitative and quantitative factors, including the performance of the individual and of the business. Variable remuneration is adjusted in line with relevant capital and liquidity requirements.

3.2 Governance

The Remuneration Committee (the “**RemCo**”) is responsible for the Firm’s remuneration policy. The RemCo meets regularly and is composed of:

- Rob Appleby;
- Jeremy Alun-Jones;
- Alastair Cooper;
- Jason Silm; and
- Justin Mundy.

The RemCo is responsible for reviewing and approving remuneration and to ensure remuneration policies across the Firm are consistent with the promotion of effective risk management. The RemCo is responsible for reviewing and approving salary amendments and the Firm’s bonus pool arising from the annual compensation review..

3.3 Performance period

The Firm’s performance period is from 1 April 2022 to 31 March 2023.

The Firm has adopted a Remuneration Policy that complies with the requirements of Chapter 19G of the FCA’s Senior Management Arrangements, Systems and Controls Sourcebook.

3.4 Approach to remuneration for employees

The Firm’s remuneration approach is designed to support individual and corporate performance, encourage the sustainable long-term financial health of the business and promote sound risk management for the success of the Firm and to the benefit of its customers, counterparties and the wider market. Our remuneration approach promotes long-term value creation through transparent alignment with the agreed corporate strategy.

The Board believes the Firm's remuneration structure is appropriate for the business and the industry it operates in and is efficient and cost-effective in delivering its long-term strategy.

The Firm's remuneration structure includes provisions that in specific circumstances, allow the Firm to:

- (i) forfeit or withhold all or part of a bonus or long-term incentive award before it has vested and been awarded ('performance adjustment' or 'malus'); and/or
- (ii) in some circumstances, recover sums already paid ('clawback'). This affects carry but not bonuses.

3.5 Financial incentives objectives

The Firm's remuneration practices are designed to ensure that its compensation arrangements are:

- consistent, underpinned by a common philosophy and guiding principles;
- in line with the business strategy, objectives and long-term interests of the Firm;
- consistent with and promote sound and effective risk management;
- appropriate and proportionate to the nature, scale and complexity of the risks inherent in the business model and activities of the Firm and funds advised by the Firm;
- in line with the business strategy, objectives and long-term interests of the firm in particular including consideration of (i) the Firm's risk appetite and strategy, including environmental, social and governance ('ESG') risk factors (ii) the Firm's culture and values and (iii) the long-term effects of the investment decisions taken;
- gender neutral and compliant with the Equality Act 2010;
- contains measures to avoid conflicts of interest, encourage responsible business conduct and promote risk awareness and prudent risk-taking;
- consistent with the interests of funds advised by the Firm and their investors; and
- in line with business results of the Firm.

The Firm's financial incentives are designed to:

- align compensation with volatility in earnings;
- raise employee satisfaction;
- recognise individual performance;
- attract and retain talent;
- encourage collaborative teamwork; and
- motivate staff to achieve Firm-wide objectives.

3.6 Components of remuneration

The Firm makes a clear distinction between the fixed and variable remuneration that it offers:

Fixed remuneration

- Base salary;
- Drawings on annual profit share (for members/partners);
- Pension; and
- Benefits (e.g. health insurance).

Variable remuneration

- Discretionary annual bonus;
- Discretionary share of profits (for members/partners); and
- Carried interest.

Fixed remuneration primarily reflects an employee's professional experience and organisational responsibility as set out in the staff member's job description and terms of employment. Fixed remuneration is permanent, pre-determined, non-discretionary, non-revocable and not dependent on performance.

Variable remuneration is based on performance including financial and non-financial criteria (as set out below) including contribution towards Cibus' and the Cibus Fund's ESG and Sustainability philosophy. Performance criteria reflect the long-term performance of employees as well as performance in excess of the employee's job description and terms of employment.

The Firm will ensure that the fixed and variable components of an individual's total remuneration are appropriately balanced. The fixed proportion shall represent a sufficiently high proportion of the total remuneration to enable the operation of a fully flexible policy on variable remuneration, including the possibility of paying no variable remuneration component. To determine this balance, the RemCo must have regard to Cibus' business activities and associated conduct risks and the role of the individual in the firm. Any individual may receive only fixed remuneration but no individual will receive only variable remuneration.

The variable remuneration does not affect the firm's ability to ensure a sound capital base.

When assessing individual performance to determine the amount of variable remuneration to be paid to an individual, the Firm takes into account financial as well as non-financial criteria. Non-financial criteria should:

- form a significant part of the performance assessment process;
- override financial criteria, where appropriate;
- include metrics on conduct, which should make up a substantial portion of the non-financial criteria; and
- include how far the individual adheres to effective risk management and complies with relevant regulatory requirements.

3.7 Financial and non-financial performance criteria

The Firm must take into account both financial and non-financial criteria when assessing the individual performance of its staff. These indicators are applied at the level of the individual, within teams and taking into account performance of the Firm as a whole. This aims not only to discourage inappropriate behaviours but also to incentivise and reward behaviour that promotes positive non-financial outcomes for the Firm.

Where financial performance is concerned, the emphasis is on appropriately rewarding observable outcomes that have been achieved in the relevant financial year.

The Firm considers various non-financial performance criteria including the following:

- measures relating to building and maintaining positive relationships with investee company managements and limited partners of the Cibus Funds or potential limited partners and outcomes;
- performance in line with firm strategy or values e.g. displaying leadership, teamwork or creativity;
- adherence to the firm's risk management and compliance policies;
- the extent to which an individual adopts the firm's philosophy on the important of ESG and sustainability; and
- adherence to and promotion of the firm's policies towards diversity and inclusion.

3.8 Risk Management

The Firm's remuneration policies and practices are aligned with the duties of personnel to manage conflicts of interest as well as sustainability and business risk effectively, to ensure that interests of the funds advised by the Firm and their investors are not impaired. There is a qualitative element to all bonuses which can be adjusted as appropriate to reflect behaviours and performance in relation to sustainability and business risk and compliance behaviours. Those who recommend or approve awards for employees and consultants are apprised of any sustainability and business risk and compliance issues and can make such adjustments to the awards as deemed appropriate to reflect those issues.

The remuneration of senior officers in risk management and compliance functions is directly overseen by the RemCo.

3.9 Total amount of remuneration awarded

Under MIFIDPRU 8.6.8R(2), the Firm must disclose the total amount of remuneration awarded to all staff, split into:

- fixed remuneration; and
- variable remuneration.

The number of employees for the reporting period was: 27.

Remuneration type	Amount (£)
Fixed remuneration	2,658,294
Variable remuneration	3,866,885
Total amount	6,525,179