



Algebris UK Limited FCA Remuneration Code

FCA Remuneration Code (The “Code”)

The Firm is a proportionality level three firm, as described in the FCA’s General Guidance on Proportionality dated September 2012, for the purpose of the Code. The other entities within the UK consolidation group of which the firm is a member are not considered relevant for the purpose of the disclosure requirements of BIPRU 11.5.18R in view of the limited nature of their activities (they are however subject to the Code’s provisions). This disclosure relates to the 12 month period ended 31 December 2016.

The remuneration policy is the responsibility of the Firm’s Board. The Board oversees the remuneration governance framework and ensure that remuneration arrangements are consistent with, and promote, effective risk management (the agency nature of the business of the firm does not place its balance sheet directly at risk).

The Board considers remuneration in the context of a wider agenda including retention, recruitment, motivation and talent development and the external market environment. The Board also receives updates on regulatory developments and general remuneration issues, as well as market and benchmarking data.

The Board sets and monitors the remuneration policy standards and monitors compliance with them. The amount and composition of the total remuneration paid is determined under this policy.

Information on the link between pay and performance

The various components of total remuneration (which comprise base salary, variable bonus and benefits) are considered and are balanced appropriately having regard to the role fulfilled by each particular individual.

Firm and individual performance are the significant contributors to the determination of variable bonus awards. The principal objective in determining variable bonus awards is to reward individual performance whilst ensuring that such payments are warranted given business results. In this context performance can include financial and non-financial measures, risk measures and other relevant factors. There is a focus on differentiation so that any rewards are determined according to the contribution of individuals. Bonus pools and individual awards are subject to the governance of the Board and it is possible that in any year no variable bonus will be awarded.

Staff are strongly encouraged to personally invest in the Algebris funds which supports a performance culture where employees recognise the importance of sustainable (and sustained) firm and individual performance. This also encourages sound risk management whilst aligning the longer-term interests of participants with those of investors.

Quantitative information on remuneration

The Firm considers that it has a single business area (investment management). The aggregate remuneration of the individuals engaged in this business area for the period was €15,556,756, which is comprised of 47 individuals. This includes the aggregate remuneration of €12,941,967 of its Remuneration Code Staff, which is comprised of 19 individuals each of whom performs a significant influence function. The latter figure includes the aggregate remuneration of individuals who ceased to become Remuneration Code Staff during the year to 31 December 2016.