



MIFIDPRU Public Disclosure Document

Van Lanschot Kempenn Investment Management (UK) Limited

Date of disclosure: As of September 2023

For the period: As of 31 December 2022

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1 Overview and summary

Van Lanschot Kempenn Investment Management (UK) Limited (“**Firm**” or “**we**”) is authorised and regulated by the Financial Conduct Authority (“**FCA**”) (FRN: 166063) as a Markets in Financial Instruments (“**MiFID**”) firm and subject to the rules and requirements of the FCA’s Prudential Sourcebook for MiFID Investments Firms (“**MIFIDPRU**”) Handbook.

For the purposes of MIFIDPRU, the Firm has been classified as a non-small non-interconnected (“**SNI**”) firm, therefore **as a non-SNI MIFIDPRU investment firm**.

The Firm has produced this Public Disclosure Document in line with the rules and requirements of MIFIDPRU 8, as applicable to non-SNI firms. This disclosure is made on an individual entity basis.

This Public Disclosure Document has been prepared based on the audited financials as of 31 December 2022, covering the financial period 1 January 2022 to 31 December 2022.

The Firm specialises in providing fiduciary management services. The Firm works with UK pension scheme trustees and sponsoring employers to help them execute their long-term strategies efficiently and target better outcomes for their scheme members. The Firm is part of the wider Van Lanschot Kempenn group; an independent financial institution in the Netherlands, which is listed on Euronext Amsterdam. Van Lanschot Kempenn is an independent, specialised wealth manager, active in private banking, investment management, and investment banking.

2 Governance arrangements

The Firm’s ultimate decision making and oversight body is the UK Board.

The Board of Directors is responsible for setting the Firm’s business objectives, strategy and annual budgets. The UK Board is governed by its Terms of References, which include all responsibilities and requirements as per SYSC 4.3A.1 and the Firm has accordingly implemented segregation of duties between its business functions and control functions.

The Firm has a Conflicts of Policy and procedures in place and potential conflicts of interests are continually monitored and assessed by Compliance as an independent control function, as well as being reported to the Board of Directors on a regular basis.

In line with MIFIDPRU 7.3.1 the Firm has not established a Risk Committee.

The UK Board receives regular reporting and management information on the Firm’s operations, specifically reporting and escalation of any compliance, financial, legal and risk matters. The UK Board receives independent reporting for internal control functions as well as external independently appointed auditors and consultants on the effectiveness of the Firm’s operations, systems and control arrangements.

2.1 External Directorships

In line with MIFIDPRU 8.3.1 (2), the Firm has detailed below the number of external appointments, both as executive and non-executive roles, of its Board of Directors members.

Directors as of 31 December 2022 were:

Name and role	Number of external executive roles	Number of external non-executive roles
Andre Keijsers		2
Johan Cras		
Erik Houwelingen		
Wendy Winkelhuijzen		

2.2 Promoting diversity and inclusion

We aim for diversity not only in terms of gender, nationality, age, educational background, sexual orientation, gender identity, religion, ethnic background, disability, or distance to the labour market, but also across personal experiences, characteristics, socio-economic backgrounds and the different skills that people bring.

In order to support a diverse and inclusive culture at VLK, a variety of initiatives have been launched, including our Inclusive and Diversity Community, Van Lanschot Kempfen Women's Network and our Pride Network. We have established a number of external partnerships too, including with Women Inc. and Workplace Pride, both of which focus on creating more inclusive workplaces. We put significant effort into training around inclusion and bias awareness.

We monitor in our Annual Report important KPIs around D&I, particularly gender inclusion. In our UK business, we pride ourselves that our team profile shows a strong diversity picture with a female/male gender balance of 38%/62% and strong representation of people with an ethnic minority background. We have also taken a range of initiatives to aid causes to support local diversity and inclusivity for ethnic minorities, including the London Academy of Excellence.

3 Risk management objectives and policies

The Firm has implemented and embedded risk management framework, policies and procedures across all relevant risk areas of the Firm. The Board of Directors sets the business strategy and risk appetite statement of the Firm, which flows through to the risk management framework of the Firm.

In line with the Firm's business strategy, risk appetite and risk management framework the Firm identifies and further assesses key risks within the Firm's Internal Capital and Risk Assessment ("ICARA") process.

The Firm maintains a risk register, which includes risk assessment and rating methodologies in accordance with its risk appetite statement. Key risks are reported to the Board of Directors at each meeting.

3.1 Own funds requirements – MIFIDPRU 4

Based on its business model and what drives the risks, the K-factor applicable to the Firm is only K-AUM.

The Firm's investments risks are captured within its K-AUM calculation. Operational risks are predominantly captured within its Fixed Overhead Requirement ("FOR") calculation.

The Firm has further assessed any operational risks within its ICARA and quantified additional own funds and liquidity, where required.

3.2 Concentration risk – MIFIDPRU 5

The Firm does not conduct any trading on own account and does not have regulatory permissions for dealing as principal. The Firm therefore does not have any concentration risks on or off balance sheet and does not operate a trading book.

3.3 Liquidity – MIFIDPRU 6

The Firm maintains minimum liquidity at all times in compliance with the Basic Liquid Asset Requirement ("BLAR"), being at least 1/3 of its FOR.

The Firm does not provide any client guarantees and therefore its entire liquidity requirement is driven by its expenses, as captured by the FOR.

As part of the ICARA, the Firm also maintains liquidity to satisfy its net wind-down costs and any additional liquidity requirements which the ICARA identified for supporting the ongoing business activities of the Firm.

4 Remuneration arrangements

The Firm has adopted a remuneration policy and procedures that comply with the requirements of chapter 19G of the FCA's Senior Management Arrangements, Systems and Controls ("SYSC") Sourcebook. In accordance with MIFIDPRU 8.6.2 the Firm makes the following qualitative remuneration disclosures:

The Firm's remuneration policies and practices are reviewed annually to ensure they are appropriate and proportionate to the nature, scale and complexity of the risks inherent in the business model and the activities of the Firm.

The UK Board, abides by the overall Group remuneration policy.

The Firm ensures that its remuneration structure promotes effective risk management and balances the fixed and variable remuneration components for all Staff.

Variable remuneration is adjusted in line with capital and liquidity requirements, as well as the Firm's performance.

The Firm does not benefit from exceptional government intervention.

The Firm's Remuneration Policy sets out the criteria for setting fixed and variable remuneration. All remuneration paid to staff members is clearly categories as either fixed or variable remuneration.

Fixed remuneration is based upon a staff member's professional experience and organisational responsibility. It is permanent, pre-determined, non-discretionary, non-revocable and not dependent on performance.

Variable remuneration is based upon staff members performance or, in exceptional cases, other conditions.

Performance reflects the long-term performance of the staff member as well as performance in excess of the staff member's job description and terms of employment, and includes discretionary pension benefits.

Total remuneration is based on balancing both financial and non-financial indicators together with the performance of the Firm and the staff member's business unit.

The Firm ensures that fixed and variable components of the total remuneration are appropriately balanced; and the fixed component represents a sufficiently high proportion of the total remuneration to enable the operation of a fully flexible policy on variable remuneration.

The Firm monitors fixed to variable compensation to ensure SYSC 19G is adhered to with respect to Total Remuneration.

Quantitative Remuneration

As per MIFIDPRU 8.6.8, **non-SNI firms** are required to publicly disclose quantitative information in relation to the level variable, fixed and total remuneration awarded for **senior management** and other **material risk takers** ("MRTs"), for the financial year to which the disclosure relates. This is required unless such disclosure would lead to the disclosure of information about one or two people only. The Firm has identified two MRTs.

Due to the limited number of MRTs, the Firm does not consider it appropriate to disclose remuneration information, so as not to prejudice individuals with regard to disclosure of personal information. As such, for the disclosures required by MIFIDPRU 8.6.8 (4), (5)(a), (5)(b) and (6), the Firm is relying on the exemption set out in MIFIDPRU 8.6.8 (R)(7) (a) and (b) to prevent individual identification of MRTs. For [senior management](#) and other MRTs, the Firm did not award any severance payments during the financial year as of 31 December 2022.

