Redmayne Bentley

REDMAYNE BENTLEY

PUBLIC DISCLOSURE

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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OVERVIEW

This disclosure is in relation to Redmayne Bentley LLP ("RBLLP", "the Firm"). RBLLP is a Limited Liability Partnership company incorporated in the United Kingdom ("UK"), authorised and regulated by the Financial Conduct Authority ("FCA") under a Firm reference number 499510. RBLLP is an investment management and execution-only stockbroking firm. Its clients are predominantly private retail, and its main source of revenue is derived from the provision of services, either through commission charged for the placing of trades or through fees levied for the ongoing advisory, discretionary or dealing with advice services.

This document sets out the public disclosures for RBLLP as of 31 March 2024, which represents the end of the financial accounting period.

BASIS AND FREQUENCY OF DISCLOSURE

As a UK investment firm undertaking activities within the scope of the UK Markets in Financial Instruments Directive ("MIFID"), RBLLP is subject to the prudential requirements of the Investment Firms Prudential Regime ("IFPR") contained in the MIFIDPRU Prudential sourcebook for MIFID Investment Firms of the FCA Handbook.

RBLLP is required to publish disclosures in accordance with the provisions outlined in MIFIDPRU 8 of the IFPR. These requirements are supplemented by the guidance set out in MIFIDPRU 8 published by the FCA.

Under the IFPR's firm categorisation, RBLLP is categorised as a non-small non-interconnected ("non-SNI") MIFIDPRU investment firm.

The disclosure for RBLLP is prepared annually as a solo entity (i.e., individual) basis. The disclosed information is proportionate to RBLLP's size and organisation, and to the nature, scope and complexity of RBLLP's activities.

POLICY, VALIDATION AND SIGN-OFF

RBLLP is committed to following a robust internal control framework to ensure the completeness, accuracy and compliance with the relevant standards and regulatory requirements of any external reports and disclosures. As an external publication, this document has been subject to internal challenge and approval by the Executive and Main Board.

The governance in place allows for appropriate challenge and oversight prior to publication. The disclosure does not have to be subject to independent external audit.

RISK MANAGEMENT OBJECTIVES & POLICIES

RBLLP APPROACH TO RISK MANAGEMENT

Risk Management at RBLLP is governed by the Main Board with input from the Risk Oversight Committee and the Risk Management Committee. The Risk Management Framework elements described in this section are applied throughout RBLLP which is consistent with the Firm's strategy and business management.

All risks described throughout this section are managed via an established three lines model and are governed by one or more firmwide policies and procedures and are overseen by the Risk Oversight Committee.

The First Line has primary 'ownership' of risks throughout the Firm. The First Line consists of most colleagues, including but not limited to investment management, stockbroking, and IT Teams. These departments provide the framework within which activities for achieving the firm's objectives are planned, executed, controlled, and monitored. The First Line is accountable for their respective risks, including risk assessments and management, developing controls, adherence to policies, and management of talent and compensation.

The Second Line functions (i.e., Risk Team, Compliance) provide independent oversight of, and support for, the activities performed within the First Line. These functions coordinate among themselves and actively work with the business, providing expertise and appropriate challenge to help ensure that risks are identified and mitigated in a timely manner across the Firm.

The Third Line is the Internal Audit Function which is outsourced to BDO. It aims to enhance and protect organisational value by providing risk-based and objective assurance, advice, and insight.

RISK MANAGEMENT FRAMEWORK

The Firm follows a comprehensive Enterprise Risk Management Framework. The framework begins with culture, with a consistent tone from the top led by our Main Board. This includes commitment to Excellence, Respect, Integrity, Responsibility and Teamwork as well as a clear ownership of risk, and risk management, and an adherence to a control environment standard.

The Risk Management Framework consists of the following elements:

Risk Identification and Definitions	• Identifying key and emerging risks through tools such as Risk and Control Self-Assessments ("RCSAs"), Risk Workshops, regular meetings with departments, reviewing service offerings, major changes, and internal and external events; and • Assigning Risk Owners and Risk Sponsors.
Risk Appetite	• Setting of risk appetite by the Main Board within input from the Risk Management Committee, Executive Board and the Risk Oversight Committee. • Managing risks within risk appetite; and • Ensuring appropriate escalations should risk appetite be breached.
Risk Management and Control	• Adhering to the Three Lines Model; • Establishing the appropriate processes to measure, manage, and control risk taking; • Utilising RCSAs and Risk Event Reporting; and • Addressing how specific duties related to risks and control are assigned and coordinated.
Risk Monitoring and Reporting	• Establishing and monitoring Risk Indicators in the context of Risk Appetite • Providing information and reports (e.g. Risk Assurance Reports) throughout the Risk Governance Structure; • Monitoring, investigating and if required, escalating Risk Events; and • Overseeing the ICARA, including quantification of internal regulatory capital and liquidity requirements.
Risk Governance	• Establishing policies and procedures; • Establishing risk committees; and • Overseeing the risk management framework.

APPROVAL OF RISKS AND RISK APPETITE

The risk appetite statement is an expression of how much risk the Firm is willing to pursue to achieve the Firm's strategic objectives. As is with all businesses to achieve growth, some risks must be taken, but these should be managed to prevent unnecessary/excessive risk taking such as outsourcing business activities or dealing with counterparties. Other risks must be avoided such as harm to customers or non-compliance with regulation.

The Firm's Risk Appetite is based on qualitative statements which articulates the risk-taking intent for the Firm. The primary driver of the Risk Appetite is to protect the Firm from an unacceptable level of financial performance volatility, conduct and compliance failures and ultimately harm to client, the Firm or the Market.

The Firm's Risk Appetite Framework ensures that Risk Appetite is aligned to the Firm's strategy whilst having an awareness of the Firm's Risk Maturity and Capacity to ensure the Firm can manage risks within the appetite it sets.

KEY RISKS AND THE ASSOCIATED RISK MANAGEMENT APPROACH

The following section covers the Risk Management objectives and policies for risks relevant to the Firm as set out in MIFIDPRU 4, 5 and 6.

Harms to Clients ('HtC'), Harm to Firm ('HtF') and Harm to Market ('HtM')
MIFIDPRU 4 outlines requirements for investment firms to hold a minimum amount of own funds to address potential material harms arising from MiFID activities (through the K-factor requirements) and from a wind-down / exit from the markets (through the Fixed Overhead Requirements ('FOR')). The Firm's K-Factor requirements are based on the following:

- K-AUM – Assets Under Management
- K-COH – Clients Orders Handled
- K-CMH – Client Money Held; and
- K-ASA – Assets Safeguarded and Administered.

For more information, please see page 12 below. These exposures are managed by assessing the risks and the associated harms.

The Firm's risks are intrinsically linked to the potential harms that the firm poses to clients, markets and the firm itself. The key risks are driven by the business activities undertaken and the potential harm that would arise because of issues related to the key risks. Therefore, management of potential harms is fundamental to the Firm's Risk Management Framework, and it uses the same elements outlined on page 4.

The primary source of potential harm is related to operational risks (including processes, technology risks etc.) These are often the result of inadequate internal processes, people and systems or external events. These risks may, but do not always, have an adverse financial impact. Operational risks are actively mitigated wherever possible, through design and implementation of strong processes and controls. This includes a range of policies captured within the Firm's Branch Manual which are conducted by all Three Lines with the aim of minimising potential harm. The same applies to all other sources of risks.

For each of the Firm's risks, A Risk Sponsor and Risk Owner is assigned by the Risk Oversight Committee and/or the Risk Management Committee. Risk Sponsors are the Firm's Directors who are ultimately responsible for all aspects of the risks they are assigned to, to ensure the successful management of the risk. Risk Owners are management who provide support to their respective Risk Sponsor by assessing, monitoring, managing and appropriately reporting on the firm's risk exposure to the relevant risks and the associated harms in line with risk appetites set by the Main Board. The Risk Management Committee has oversight of the Risk Owners activity assisting in the prioritisation of resources for risk and potential harm mitigation where needed. First Line functions work with the Second line functions to define and implement Risk Indicators used to monitor risks and to flag changes in the operating environment. Risk Indicators combined with emerging threat analysis and data from Risk Event Reporting along with the Risk Owners judgement, are used to assess the risk against appetite.

Completed risk assessments are reported to the Risk Management Committee to review and challenge such assessments and actions where appropriate. The output of such reviews by the Risk Management Committee are shared with the Executive Board, Risk Oversight Committee and the Main Board.

INFORMATION FLOW ON RISK TO THE MAIN BOARD

Information provided to the Main Board is typically first reviewed and challenged by the Risk Oversight Committee and by the Risk Management Committee. The Risk Management Committee meets monthly, and members include the Chief Executive, Director of Investment Management, Director of Stockbroking, Head of Risk, Head of Client Services, HR Manager, Financial Controller, Compliance Policy Manager, IT Services and Information Security Manager, and Marketing & Communications Manager. The Risk Oversight Committee meets quarterly.

At each meeting, these committees:

- Review reports in respect of the firm's risk profile. The information is collated by the Firm's Second Line (Risk Team) based on input from across the business.
- Consider the risk position relative to tolerance and in particular any breaches of risk limits or tolerances; and
- The Risk Management Committee also undertake bi-monthly deep dives into specific risks deemed as a priority which is set quarterly.

The Chair of the Risk Oversight Committee then provides an update to the Main Board.

MAIN BOARD DECLARATION – ADEQUACY OF RISK MANAGEMENT ARRANGEMENTS

The Main Board is responsible for the effectiveness of RBLLPs risk management arrangements and has implemented an appropriate governance and risk management structure. This is designed to determine what risks the Firm is willing to take and to manage those risks appropriately.

The Main Board considers that it has in place adequate risk management arrangements and that the firm's risk profile is in line with its risk appetite and strategy.

GOVERNANCE ARRANGEMENTS

The Firm has adopted a comprehensive approach to governance to ensure the right information is discussed by the right individuals to enhance decision making. In doing so, this enables the Firm to increase the possibility of achieving its strategic priorities whilst ensuring harms to clients and the Firm are monitored and managed where appropriate.

Set out below is the Risk Governance Structure as at 31st March 2024 which provides a summary of the key management committees and their respective reporting lines:

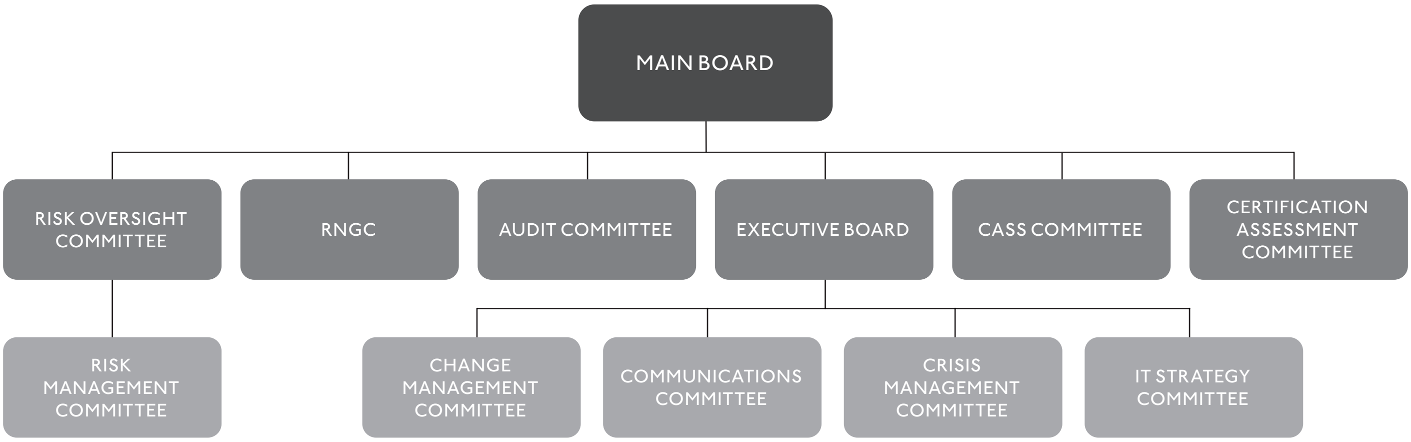

Figure 1 - Risk Governance Structure

Main Board ("MB")

The MB is the ultimate decision maker and setter of strategy throughout the Firm. The MB has 6 members which is composed of four equity members and two Non-Executive Directors. The MB meets formally every quarter and has oversight over the direction of the Firm and its financial performance. The MB also has ultimate responsibility for the management of risk and is required to approve the Firm's Risk Appetite with support / input from the Risk Oversight Committee ("ROC") and the Risk Management Committee. Furthermore, the MB receives regular reports from the Executive Board and the main Control Committees – ROC, Remunerations, Nominations & Governance ("RNGC"), Audit, and CASS.

The Main Board was made up of the following individuals as at 31st March 2024:

SMF FUNCTION / ROLE	NAME	NUMBER OF OTHER EXTERNAL DIRECTORSHIPS
SMF9 – Chair SMF27 – Partner Chair	David Loudon	1
SMF27 – Partner Chief Executive	Stuart Davis	3
SMF16 – Compliance Oversight SMF27 – Partner Director of Business and Branch Development	Nick Bettison	1
SMF27 – Partner Director of Investment Management	James S. Andrews	0

SMF10 – Chair of the Risk Committee SMF12 – Chair of the Remuneration Committee SMF13 – Chair of the Nominations Committee SMF14 – Senior Independent Director Non-Executive Director	Kim Rebecchi[1]	2
SMF11 – Chair of the Audit Committee Non-Executive Director	Ian Cordwell	3

Executive Board ("EB")
The EB has responsibility for the formulation and delivery of the Firm's Business Plan. The EB meets monthly, and reports to the MB.

As at 31 March 2024 the EB consists of seven Directors and the Chief Executive Officer. The Chief Executive Officer is the chair. Several of the Directors have SMF responsibilities under the FCAs SMCR regime.

The members of the EB work closely with the business and have Executive accountability for the ongoing monitoring, and management of the Firm's risks, and are supported by the Risk Management Committee ("RMC") by ensuring Risk Assessments are completed, Risk Events are managed, and actions completed.

The EB participate in the preparation of the ICARA, including the risk assessment, risk appetite of the additional provisions and construction of the stress tests used in the sensitivity analysis. Subsequently these are submitted to the ROC and then the MB for approval.

Risk Oversight Committee ("ROC")
The ROC is responsible for the management of the Firm's risk framework and systems of internal control. The ROC is chaired by a Non-Executive Director and other members of the committee include the Firm's Chair, another Non-Executive Director and Directors and Senior Managers in the Firm. Other personnel may be co-opted if required, including other directors who are rotated and attend meetings periodically.

The ROC has a sub-committee; the Risk Management Committee ("RMC") which is responsible for the oversight of risk management activities, ensuring accurate risk assessments are completed by Risk Owners and that appropriate measures are taken to manage risks throughout the firm.

The ROC has had oversight of the preparation of the 2024 ICARA and has approved and signed off the Risk Assessment, statement of Risk Appetite, overarching Risk Framework and stress tests undertaken prior to submission to the MB.

Audit Committee ("AC")
The Audit Committee is a control committee of the MB. The Audit Committee works closely with the Risk Oversight Committee to assist the Board in monitoring the effectiveness of the Firm's systems of internal controls and to monitor the effectiveness and objectivity of the internal and external auditors. The committee is chaired by an Independent Non-Executive Director and other members consist of another Non-Executive Director, Chair of the LLP and Directors and Senior Managers in the Firm.

CASS Committee
The CASS Committee is a control committee of the MB, from which it obtains its authority and to which it regularly reports. The committee is chaired by the Chair of the Firm, its members include Directors and Senior Managers in the Firm. The CASS Committee is responsible for the Firm's ongoing compliance with the FCA's CASS rules by overseeing the systems and processes employed, any CASS breaches and their resolution.

[1]Kim Rebecchi stepped down as Non-Executive Director on 31st July 2024 and succeeded by Nemone Wynn-Evans

Remuneration, Nominations and Governance Committee ("RNGC")

The Firm has a remuneration policy which ensures that the Firm is fully compliant with the FCA remuneration code for the Firm's level 3 category and corporate governance. This has no implications for the Firm's capital resources. The RNGC meets to review the implementation of the policy and makes recommendations to the MB for changes to the policy and other remuneration decisions. The Committee is chaired by a Non-Executive Director and includes the Chair, the Chief Executive and the other Non-Executive Director who are all voting members.

Certification Assessment Committee ("CAC")

The Certification Assessment Committee is a sub-committee of the MB from which it obtains its authority and to which it provides reports. The committee is chaired by the CEO and its members include the Directors and Senior Managers in the Firm. It is responsible for providing oversight of the Certification Regime (CR) as part of the Firm's 3-stage approach (performance assessments, auto approval or Certification Assessment Committee) to the annual assessment of colleagues to confirm they remain fit and proper to perform all roles they undertake that are captured within the CR.

In addition, the Executive Board is support by several sub-committees, including an IT Strategy Committee, a Crisis Management Committee and a Communications Committee. These committees are responsible for overseeing the Firm wide approach to IT infrastructure and development, the firm's disaster resilience and incident planning, and internal and external communications, respectively.

OWN FUNDS

Own funds (also referred to as 'capital resources') is the aggregate of common equity tier 1 ('CET1') capital, additional tier 1 capital and tier 2 capital that is held by a firm, net of any required deductions. Regular monitoring is undertaken to ensure that own funds remain equal to or greater than the firm's own funds requirement at all times (as required per MIFIDPRU 3.2.2 (3)).

COMPOSITION OF REGULATORY OWN FUNDS

RBLLP's own funds (i.e., capital resources) comprise the Firm's fixed capital, retained earnings and a subordinated loan.

As at the FY end on 31 March 2024, the Firm complied with the relevant capital regulatory obligations as outlined in the IFPR.

Table 1 - Composition of Regulatory Own Funds as of 31st March 2024

	ITEM	£000'S	SOURCE BASED ON REFERENCE NUMBERS / LETTERS OF THE BALANCE SHEET IN THE AUDITED FINANCIAL STATEMENTS
1	**Own Funds**	9,288	n/a – sum of items 2 and 25
2	**Tier 1 Capital**	9,288	n/a – sum of items 2 and 25
3	**Common Equity Tier 1 Capital**	9,288	n/a – sum of items 2 and 25
4	Fully paid-up capital instruments	11,873	Members' capital classified as equity, page 13
6	Retained earnings	-	-
7	Accumulated other comprehensive income	-	-
8	Other reserves	-	-
9	Adjustments to CET1 due to prudential filters	-	-
10	Other funds	-	-
11	(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	(2,585)	Various, primarily note 8
19	CET1: Other capital elements, deductions and adjustments	-	-
20	**ADDITIONAL TIER 2 CAPITAL**	-	n/a – sum of items 21 to 24
21	Fully paid up, directly issued capital instruments	-	-
22	Share Premium	-	-
23	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	-	-
24	Additional Tier 1: Other capital elements, deductions and adjustments	-	-
25	**TIER 2 CAPITAL**	-	-
26	Fully paid up, directly issued capital instruments	-	-
27	Share premium	-	-
28	(-) Total Deductions from Tier 2	-	-
29	Tier 2: Other capital elements, deductions and adjustments	-	-

RECONCILIATION OF REGULATORY OWN FUNDS TO AUDITED FINANCIAL STATEMENTS

The table below describes the reconciliation with own funds in the balance sheet as of 31 March 2024, where assets and liabilities have been identified by their respective classes. The information in the table below reflects the balance sheets in the audited financial statements as required by MIFIDPRU 8.4.1R.

Table 2 - Own Funds: Reconciliation of Regulatory own funds to statement of financial position in the audited financial statements as of 31st March 2024.

		a	b	c
Amount in GBP (thousands)		**Balance sheet as is published/ audited financial statements**	**Under regulatory scope of consolidation**	**Cross-reference to template OF1 (table 1)**
As at period end		**31st March 2024**	**31st March 2024**	
Assets – Breakdown by asset classes according to the balance sheet in the audited financial statements				
1	Goodwill	50	-	Box 11
2	Intangible Assets	1,974	-	Box 11
3	Tangible Assets	981	-	-
4	Investments	8	-	-
5	Debtors	50,271	-	-
6	Cash at Bank and in Hand	38,238	-	-
	Total Assets	**91,522**	-	-
Liabilities – Breakdown by liability classes according to the balance sheet in the audited financial statements				
1	Creditors due within 1 year	70,679	-	-
2	Provisions	266	-	-
3	Creditors due after 1 year	452	-	-
	Total Liabilities	**71,397**	-	-
Shareholders' Equity				
1	Members capital classified as Equity	11,873	-	Box 4
2	Members capital classified as a liability	8,252	-	-
3	Revaluation Reserve	-	-	Box 8
	Total Members Equity	**20,125**	-	-

OWN FUNDS REQUIREMENTS

A MIFIDPRU investment firm is required to maintain a minimum level of owner funds as specified in MIFIDPRU 4.3 of the FCA's Handbook. As a non-small and non-interconnected ('non-SNI') firm, the Firm is required to hold own funds to over the highest of:

- Permanent minimum capital requirement ('PMR') under MIFIDPRU4.4;
- Fixed overhead requirement ('FOR') under MIFIDPRU 4.5;
- K-Factor requirement under MIFIDPRU 4.6.
- Any additional capital based on based on risk assessments.

The table below sets out the Firm's own funds requirement as of 31 March 2024.

	£ MILLION
A - Permanent minimum capital requirement (PMR)	**0.75**
Fixed Overhead Requirement (FOR)	6.27
Additional own funds necessary for wind down	0.49
B - Wind down requirement	**6.76**
K-AUM	0.49
K-COH	0.01
K-CMH	1.64
K-ASA	2.51
K-NPR	-
K-CMG	-
K-TCD	-
K-DTF	-
K-CON	-
Additional capital for risks identified in ICARA risk assessment	4.64
Stressed Buffer requirement	-
C - Ongoing operations	**4.64**
Overall capital requirement (the greater of Subtotal A, B or C)	**6.76**
110% of the overall capital requirement	7.44

PERMANENT MINIMUM CAPITAL REQUIREMENT

The Firm's PMR is £750K, which is based upon the regulatory permission criteria detailed in MIFIDPRU 4.4

FIXED OVERHEADS REQUIREMENT

RBLLP is required to hold an amount of liquid assets equal to one third of our Fixed Overhead Requirement (FOR). This is the basic liquid asset requirement and is made up of approved liquid assets, which for RBLLP is simply cash and cash equivalents.

However, the basic liquid asset threshold requirement may not be sufficient in times of financial stress, so RBLLP has also considered the higher requirement needed to meet:

- The liquid assets needed at any given point in time to fund ongoing operations as well as to mitigate any adverse trends throughout the economic cycle, or
- The Firm's assessment of liquid assets required in the event of an orderly wind down.

	£ MILLION
1/3 of Fixed Overhead Requirement (FOR)	2.20
1.6% of total guarantees provided to clients	-
A – Basic liquid assets requirement	**2.20**
Estimate of wind-down needs above Basic Liquid assets requirements	1.01
B – Additional Wind Down Requirements	**1.01**
Estimate of additional liquidity needs identified in ICARA risk assessment (above Basic Liquid assets requirement)	-
Estimate of stressed liquidity needs above Basic Liquid assets requirement	-
C – Additional ongoing operational requirement	**-**
Overall liquidity requirement (the greater of Subtotal A + B or A + C)	3.21
110% of the overall liquidity requirement	3.52

K-FACTOR REQUIREMENT

IFPR introduced a new approach to calculating capital requirements, the 'K-factor'. This is a capital calculation based on the business activities that a MIFIDPRU investment firm undertakes and the harm that could be posed as a result. The three categories of harm for the purpose of calculating the own funds requirement based on k-factors are HtC, HtM and HtF.

The table below outlines the range of K-factor metrics within each category and their applicability to RBLLP. The applicability of each K-factor is dependent upon the MiFID investment services and/or activities which a firm has permission to undertake.

HARM CATEGORY	K-FACTOR	APPLICABILITY	£ MILLION
HtC	K-ASA: Assets Safeguarded and Administered	✓	2.51
	K-AUM: Assets Under Management	✓	0.49
	K-CMH: Client Money Held	✓	1.64
	K-COH: Client Orders Handled	✓	0.01
HtM	K-CMG: Clearing Margin Given	×	-
	K-NPR: Net Position Risk	×	-
HtF	K-CON: Concentration Risk	×	-
	K-DTF: Daily Trading Flow	×	-
	K-TCD: Trading Counterparty Default.	×	-

RBLLP's K-factor requirements are based on K-ASA, K-AUM, K-CMH and K-COH. All K-factors within the HtM and HtF categories are applicable exclusively to firms that deal on their own account and/or underwrite or place financial instruments on a firm commitment basis, and as such are out of scope for RBLLP. These are not material sources of harm for the Firm, and therefore there are no associated risk management objectives and policies.

A summary of applicable metrics is provided below:

K-AUM
K-AUM is designed to capture the potential for harm when a MIFIDPRU investment firm manages assets for its clients in connection with MiFID business and is calculated in line with MIFIDPRI 4.7. This includes:

- Assets managed on a discretionary portfolio management basis; and
- Assets managed under non-discretionary advisor arrangements of an ongoing nature.

K-CMH
The client money held K-factor requirement, K-CMH, is designed to capture the potential for harm caused by MIFIDPRU investment firm holding client money in connection with MiFID business and is calculated in line with MIFIDPRU 4.8.

The Firm's K-CMH is based on client money held in accordance with Chapter 7 of the FCA CASS rules (Client Money). This provides clarity that the K-CMH calculation excludes any client money held by someone else on behalf of the client, but which RBLLP has the authority to control under Chapter 7 of the FCA CASS rules (mandates).

K-ASA
Assets Safeguarded and Administered K-Factor, K-ASA, is equal to 0.04% of the Firm's average Assets Safeguarded and Administered. This is required to be calculated on the first business day of each month as required by MIFIDPRU4.9.

K-COH
K-COH is designed to capture the potential harm from a MIFIDPRU investment firm handling client orders. This includes the execution of orders on behalf of clients and the reception and transmission of client orders and is calculated in line with MIFIDPRU 4.10.

APPROACH TO ASSESSING THE ADEQUACY OF OWN FUNDS

RBLLP is further required to disclose its approach to assessing the adequacy of its own funds in accordance with the overall financial adequacy rule ("OFAR") as outlined in MIFIDPRU 7.4.7R.

ICARA Process
The ICARA is a formal process through which the Firm assess the risks it faces from the ongoing operation of the Firm's business, and the winding-down of the Firm's business. It required the Firm to assess the capital and liquidity requirements needed to support such risks and brings together a bottom up and top-down senior management view given its business model, strategy, risk appetite and available financial resources.

The Internal Capital Adequacy and Risk Assessment ("ICARA") process serves as the means of assessing key risks to which the Firm is exposed to. Further, it assists the Firm with identifying and managing material harms that the Firm may cause through its regulated and unregulated activities. The ICARA process further seeks to determine the level of own funds and liquid assets the Firm needs to hold.

	ACTIONS	ASSESSMENT	DELIVERABLES
Identify risk of harm	Implement systems and controls to identify and monitor material risk of harm	Risk to Customer Risk to Market Risk to Firm	• Business model analysis • Initial risk assessment via RCSA • Systems and controls to identify and monitor all material potential harm
Mitigate risk of harm	Implement financial and non-financial mitigants to minimise probability and impact	Risk assessment to understand residual risks	• Financial and non-financial mitigants in place • Residual risk assessment (post-mitigation)
Mitigate residual risk	Determine how much financial resources to hold to mitigate residual risks currently and also in the future	1. Forecast capital and liquidity requirements for BAU and stress scenario 2. Calculate additional capital and liquidity needed to recover to OFAR and for wind down	• Capital and liquidity planning • K-factor modelling • Scenario analysis and stress testing
Recovery from stress	Identify credible recovery actions to recover from a plausible stress	Recovery assessment: If recovery actions are not fully effective, calculate further capital or liquidity needed to recover to OFAR	• Identification of early warning indicators • Recovery actions providing capital and liquidity • Recovery action credibility assessment
Wind down	Identify wind down steps and resources	Wind down assessment: • Steps, timelines and wind down costs • Evaluation of harm from wind down	• Wind down plan including: • Calculation of capital and liquidity needed to cover wind down

Targets are set based on the risk appetite, growth in the levels of risk implied by the business plan, current and projected change in the available and capital requirements of the plan. Risks are identified, classified, and measured in the risk register and the controls associated to those risk to mitigate risk exposure. Each risk is then measured against the likelihood and financial and reputational harm to the firm, clients, and the market. The impact of risks is used in the stress testing process to identify if capital adjustments need to be made. In addition to stress testing, reverse stress testing and wind down costs are performed to reach a final adequacy adjustment. Early warning indictors, appetite limits and trigger points are monitored and reviewed to ensure the firm’s capital and liquidity are sustainable. Assumptions and conclusions reviewed by senior management and endorsed by the Board.

REMUNERATION POLICY AND PRACTICES

The following disclosure is prepared in accordance with the FCA handbook (MIFIDPRU8.6). Accordingly, it provides details of the remuneration of Material Risk Takers for the financial year ending March 2024, together with an explanation of the remuneration policies, practices and governance arrangements which apply to the Firm. It also provides quantitative disclosures where appropriate in line with the Firm's status as a non-small, non-interconnected firm and, where doing so would not enable an individual material risk taker to be identified from the information provided.

REMUNERATION PRINCIPLES

Individuals who are identified as Material Risk Takers (referred to as "Coded Staff") are all employees for Redmayne Bentley. As such Coded Staff are remunerated in line with the Firm's Remuneration Framework. The Firm's Remuneration Framework is designed to remunerate employees in line with its business plan, attract, retain, and reward employees in a consistent way as well as ensuring effective risk management. This ensures alignment between risk and individual reward to avoid individuals acting in their own interests to the potential detriment of the Firm or a client.

A consistent approach is applied to the reward of the Firm's employees, aligned to our values of Excellence, Respect, Integrity, Responsibility and Teamwork.

GOVERNANCE FRAMEWORK

Our remuneration governance framework comprises of the Remuneration, Nominations & Governance Committee ("RNGC"). The RNGC is a committee of the Main Board from which it obtains its authority and to which it regularly reports. The remit of the RNGC covers all staff employed by the Firm.

The RNGC oversees remuneration by recommending policies, approving bonuses and salary reviews, and ensuring alignment with regulations like MiFID II and SMCR. It also reviews senior appointments, evaluates the balance of fixed and variable pay, manages remuneration risks, and ensures compliance with corporate governance standards.

During the reporting period, the RNGC engaged the advice and support of Walker Morris as independent remuneration consultants to assist with an enhancement of the Firm's Remuneration Policy and assistance on Coded Staff.

Remuneration at Redmayne Bentley is comprised of salaries, salary increases, bonuses (defined as a discretionary lump sum payment based on either the firm's performance and or the achievement of an individual's personal objectives as agreed annually through the Firm's Performance Development Review Process), commission payments and pension arrangements.

MATERIAL RISK TAKERS ("CODED STAFF")

Coded Staff are the individuals within the Firm whose professional activities have a material impact on either the risk profile of Redmayne Bentley or the assets it manages through meeting 1 or more of the following criteria:

- Members of the management body;
- Members of Senior Management Responsible (reporting directly) to members of the management body;
- Individuals with managerial responsibilities for a business unit carrying our investment managements activities;
- Holders of control functions (SMFs);
- Money Laundering Reporting Officer (MLRO);
- Individuals responsible for managing material risks;
- Individual responsible for IT;

- Individuals responsible for material outsourcing arrangements; and
- Individuals responsible for approving new products.

As per MIFIDPRU 8.6.8 (7)(a), details of the remuneration awarded to senior management and other Coded Staff has been aggregated so as not to lead to the disclosure of information of any specific individual. The total amount of remuneration awarded to senior management and individuals identified as Coded Staff was £6,575,290 of which £2,503,731 was fixed remuneration and £4,071,559 was variable remuneration.

REMUNERATION MODELS AND STRUCTURES

The table below sets out differing remunerations packages and a brief description of the same:

REMUNERATION PACKAGE	DESCRIPTION	FIXED OR VARIABLE
Base Salary (Employed)	Key part of the fixed remuneration which reflects employees' individual roles and experience.	Fixed
Discretionary Bonus (Employed)	Discretionary bonus scheme for all employees, which is dependant on performance of the individual employee as well as the business.	Variable
Revenue Share (Employed)	Commission based bonus for the introduction of clients to the business by employees.	Variable
Fee and Commission (Self Employed / Franchises)	Pre-agreed remuneration structures as detailed within respective contracts.	Variable

Specific Remuneration Structures

Profit Sharing Partners and Fixed Profit Share Members

Profit Sharing Partners receive a share of profits as determined by the 'Members Agreement'. Fixed Profit Share Members (one individual) receive a share of profits laid out in individual letters of engagement and under the Members Agreement. This Agreement cannot be changed except by the agreement of all designated members.

In the case of the Profit-Sharing Partners, a prior profit share (PPS) payable to each Profit-Sharing Partner who is an individual is agreed annually by the Profit-Sharing Partners. While the PPS amount payable to each individual Profit-Sharing Partner may vary between years, it is a fixed amount for each given year. In accordance with SYSC 19G.4.4G(1)(b), the PPS is fixed remuneration.

Each Profit-Sharing Partner is entitled to a share of the LLP's residual profits, such entitlement being determined according to such Profit-Sharing Partner's capital contribution to the LLP. In accordance with SYSC 19G.4.4G(1)(a), such share of residual profits is not remuneration for the purposes of the MIFIDPRU Remuneration Code.

ASSESSMENT OF PERFORMANCE

The Firm ensures that the structure of an employee, associate or franchisee's remuneration is consistent with and promotes effective risk management. All employees have a clear distinction between their basic remuneration as reflecting their professional level, responsibility and accountability and any variable remuneration they may receive. Terms of remuneration are made clear within each employee's contract or as an addendum to the contract. The remuneration arrangements for franchisees and associates can be found in their respective agreements. Line managers and Directors review the remuneration of employed colleagues annually through a formal review of salaries and where appropriate job evaluation.

The Firm has several checks and balances in place to measure performance and recognise where performance falls below the required standard and the risks involved; the Firm regularly monitors its employees through department, individual performance, PDR implementation and review as well as T&C supervision. These measures also ensure that all colleagues understand the performance assessment process. The importance of non-financial assessment factors in the process including the Firm's values and behaviours, Conduct Rules and Compliance standards, are clearly explained to employees.

Assessment of performance is set in a 'multiyear framework' via regular analysis of management information and year-on-year comparisons carried out by Directors of the Executive Board. Trends and risks would be identified during these reviews.

QUANTITATIVE REMUNERATION DISCLOSURES

The following disclosure provides quantitative remuneration information for the Firm's Coded Staff for the financial year ending 31 March 2024.

For ease of reporting, all Coded Staff are deemed as 'Senior Management' except for the IT Services and Information Security Manager; and the Heads of Offices – Branches who are deemed as 'Other Material Risk Takers'.

As required by MIFIDPRU 8.6.2

			SENIOR MANAGEMENT		OTHER MATERIAL RISK TAKERS	ALL OTHER STAFF
			MEMBERS	EMPLOYED		
1	Fixed Remuneration	Number of Identified Staff	7	7	8	272
2		Total Fixed Remuneration	£1,185,000	£680,979	£577,660	£8,658,873
3	Variable Remuneration	Number of Identified Staff	7	7	8	256
4		Total Variable Remuneration	£5,871,539	£105,474	£543,704	£1,211,982

The table below sets out payments to staff whose professional activities have a material impact on the Firm's risk profile (coded staff).

	SENIOR MANAGEMENT		OTHER MATERIAL RISK TAKERS	ALL OTHER STAFF
	MEMBERS	EMPLOYED		
Guaranteed variable remuneration awards				
Guaranteed variable remuneration awards – No. of identified staff	£0	£0	£0	£0
Guaranteed variable remuneration awards – total amount	£0	£0	£0	£0
Of which guaranteed variable remuneration awards paid during the financial year, which are not taken into account in the bonus cap	£0	£0	£0	£0
Severance payments awarded in previous periods, which have been paid out during the financial year.				
Severance payments awarded in previous periods, which have been paid out during the financial year – No. of Identified Staff	0	0	0	0
Severance payments awarded in previous periods, which have been paid out during the financial year – Total amount	£0	£0	£0	£0
Severance payments awarded during the financial year ending 31st March 2024				
Severance payments awarded during the financial year ending 31st March 2024 – No. of identified Staff	£0	£0	£0	£0
Severance payments awarded during the financial year ending 31st March 2024 – Total amount	£0	£0	£0	£0
Of which paid during the financial year	£0	£0	£0	£0
Of which deferred	£0	£0	£0	£0
Of which severance payments during the financial year, which are not taken into account in the bonus cap	£0	£0	£0	£0
Of which highest payment that has been awarded to a single person.	£0	£0	£0	£0

APPENDIX

K–FACTORS DEFINITION

Prudential sourcebook for MIFID investment firms (i.e., MIFIDPRU) of the FCA handbook sets out the KFR methodology for calculating own funds requirements, effective from 1 January 2022. The IFPR introduced nine K – Factors. The application of each K – Factor at individual firms is determined by a firm's regulatory permissions.

Table 3 - Summary of individual K-factors used in the KFR methodology.

K-FACTOR	DESCRIPTION
K-AUM	Assets under management
K-COH	Client orders handled
K-ASA	Assets safeguarded and administered
K-CMH	Client money held
K-NPR	Net position risk
K-CMG	Clearing margin given
K-TCD	Trading counterparty default
K-DTF	Daily trading flow
K-CON	Concentration risk