

A&J Wealth Management Limited (Trading as AFH Cookham Wealth Management)

Remuneration Policy Statement

MIFIDPRU Remuneration Code (SYSC 19G)

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Version No	Date Board/RemCo Approved	Notes
2.3	21/02/2022 (RemCo)	New format to meet requirements of MIFIDPRU
2.4	n/a	Addition of Consumer Duty
2.5	n/a	Removal of Remco
2.6	n/a	Update for 2021-2022 MiFID Year
2.7	28/2/2024	Update for 2022-2023 MiFID Year
3.0	28/8/2024	Update for 2023-2024 MiFID Year

1. General firm information

1.1	General firm information			
(a)	Where your firm is part of a group, please include the UK parent entity and all the investment firms, financial institutions, ancillary services undertakings and tied agents in the investment firm group.			
	Firm Name	FRN	Business Type	
	A & J Wealth Management Limited AFH Independent Financial Services Limited	428590 216704	Wealth Manager Financial Services Provider	
(b)	Please provide contact details of the key individual(s) who we should contact within your firm regarding this RPS.			
	Name	Job Title	Phone No.	Email
	John Amor	Head of Compliance	07824 660246	john.amor@afhgroup.com
(c)	What performance year is this RPS in respect of?			
	2023-2024			

2. General information on variable remuneration schemes

2.1	<p><i>Please provide information on the variable remuneration schemes in operation within your firm. Please note, small and non-interconnected (SNI) firms are only required to comply with some remuneration rules and as such some information requested as part of this question may not be relevant for your firm. However, where your firm has remuneration policies that are consistent with the information requested, it would be helpful to include such information.</i></p> <p><i>If the information requested in this section is clearly set out elsewhere in this template, you may wish to refer to the relevant section/s. Alternatively, if the information is already set out in your firm's remuneration scheme documentation, you may wish to supply that as an annex instead.</i></p>
(a)	<p>Please provide detail on all variable remuneration schemes, and long-term incentive plans (LTIPs) that are in place to reward material risk takers (MRTs) for performance during the current performance period. Please also include co-investment schemes or carried interest schemes to the extent they are in scope of the Code.</p> <p>If your firm is not required to identify MRTs, then please provide information on any variable remuneration arrangements for staff in senior management and oversight roles and senior staff within revenue generating parts of the business.</p> <p>Our Remuneration Policy sets out the following:</p> <ul style="list-style-type: none">• the scheme's purpose;• eligible participants;• number of expected participants for the performance period;• the structure of each scheme's awards, including:<ul style="list-style-type: none">○ the deferred proportion;○ the length of the deferral period;○ the vesting schedule including the frequency of the vesting i.e. annually or more frequently, whether vesting is on a pro-rata basis; or if there is cliff vesting at the end of the deferral period; or any other combination;○ award composition i.e. proportion in shares or instruments /cash etc;○ retention policies applied to any part of the awards; and○ the length of the retention policy.• the ratio of the maximum pay-out of the variable remuneration when compared to fixed remuneration;• the performance criteria including both financial and non-financial criteria and the weight applied to each;• the risk adjustment techniques and measures considered, including both financial and non-financial risks, when calculating the variable remuneration pool;

	<ul style="list-style-type: none"> • whether variable remuneration is subject to performance adjustment; and • any other information related to the scheme that you believe is relevant.
A	Advisers New Business Scheme
B	Adviser Client Retention Bonus
C	Support Staff Bonus Scheme
D	All Staff Exam Bonus Scheme
E	Other Discretionary Bonuses

3. Basic remuneration requirements

The basic remuneration requirements are applicable to all firms in scope of the Code.

Remuneration policies and practices

3.1.	Gender neutral remuneration policies and practices <i>Please refer to SYSC 19G.2.6 R to SYSC 19G.2.7 G</i>
(a)	Briefly describe how your firm’s remuneration policies and practices are gender neutral and do not discriminate on the basis of the protected characteristics of an individual in accordance with the Equality Act 2010. There is no distinction within our remuneration policy relating to Gender, Race or any other protected characteristics under the Equality Act.

3.2	Risk management <i>Please refer to SYSC 19G.2.8 R</i>
(a)	Briefly describe how your firm’s remuneration policies and practices promote sound and effective risk management. Our remuneration policy is designed in such a way as to remove any incentive for mis-selling or other inappropriate outcomes that increase risk of harm for our clients or for the business and complies with the Consumer Duty. Key points are: Senior managers’ remuneration is not linked to sales Advising staff receive a bonus payment based on new business written, but there are minimum compliance standards linked to the payments.

3.3	Business strategy <i>Please refer to SYSC 19G.2.9 R to SYSC 19G.2.10 G</i>
(a)	Briefly describe how your firm’s remuneration policies are in line with the business strategy, objectives and long-term interests. You should also include information about how these take into account:

(1) your firm's risk appetite and strategy, including environmental, social and governance risk factors;

Our risk appetite and strategy are set out in the relevant Governance Documents.

Of the risks associated with remuneration these are:

- Single event exposure: 2% of revenue
- Annual aggregate exposure: 5% of revenue

Our basis of remuneration is within these boundaries.

Environmental factors:

- Providing access to ESG portfolios for our investors
- Allowing staff to work from home to reduce carbon footprint
- Remote access to advisers rather than travelling to meetings

Social Factors

- No barriers to diversity in our recruitment or remuneration policies
- We have policies to protect against sexual and other inappropriate conduct
- We may what we consider to be fair wages

Governance Factors

- We have a well-documented strategy for Risk Appetite and Risk Management
- The Board oversees remuneration to ensure fair and proportionate payments to staff
- We have a Conflicts of Interest policy to ensure conflicts are identified and managed
- We have two independent NEDs on the Board

(2) your firm's culture and values; and

- We have a Consumer Duty & TCF Policy
- Consumer Duty and TCF-focussed Management Information is provided to the Board and Management team

(3) the long-term effects of the investment decisions taken.

- Our remuneration policy is designed to attract high quality new staff and retain our existing employees as we recognise the impact of staff changes on the long-term success of the business.

3.4	Avoiding conflicts of interest
<i>Please refer to 19G.2.11 R</i>	
(a)	<p>Briefly describe how your firm’s remuneration policy:</p> <p>(1) contains measures to avoid conflicts of interest;</p> <ul style="list-style-type: none"> • Conflict of Interest Policy is in place • A Register is in place and considered at each Board Meeting • Remuneration is listed as a conflict which we are managing <p>(2) encourages responsible business conduct; and</p> <ul style="list-style-type: none"> • We have included non-sales-relate factors in our remuneration policy to ensure it is not a ‘sell at all costs’ environment <p>(3) promotes risk awareness and prudent risk taking.</p> <ul style="list-style-type: none"> • Our Risk Register includes items relating to remuneration and is considered at both Board and Management meetings

Governance and oversight

3.5	Oversight of remuneration policies and practices
<i>Please refer to SYSC 19G.3.1 R to SYSC 19G.3.5 G. Please note SNI firms are only required to comply with SYSC 19G.3.1 R to SYSC 19G.3.3. R.</i>	
<i>Non-SNI MIFIDPRU investment firms not falling within SYSC 19G.1.1R (2) should also refer to SYSC 19G.7.1 G.</i>	
(a)	<p>Describe how remuneration governance and oversight arrangements operate within your firm including who has overall responsibility for adopting, reviewing and overseeing the implementation of your firm’s remuneration policy?</p> <p>The Managing Director and Head of Finance put together proposals based on the results of Annual Appraisals which are then submitted to the Board for approval.</p> <p>Please include in your response whether your firm has established a Remuneration Committee (RemCo) and if so, please include:</p> <ul style="list-style-type: none"> • if the RemCo is established in the UK; Originally yes until 31/1/2023 but now disbanded • in which entity the RemCo is established; No Longer applicable • the name of the RemCo if known by any other name; No Longer applicable; and

	<ul style="list-style-type: none"> whether there are any sub-committees of the RemCo, what they are called and their purpose. No Longer applicable
<p>(b)</p>	<p>What is the frequency of the periodic review of the remuneration policy?</p> <p>Please also include which control functions and business units develop and support the review.</p> <ul style="list-style-type: none"> The frequency of review is Annual The Compliance Team, working with Finance, develop and support the review. It is then submitted to the Board for approval and signed-off by the Managing Director.
<p>(c)</p>	<p>When did the last central and independent internal review of your firm’s remuneration policies and practices take place?</p> <p>August 2024</p> <p>Please also include:</p> <ul style="list-style-type: none"> what the review assessed; <p>We considered the existing remuneration policy introduced under MIFIDPRU from January 2022 having established we are an SNI Firm, required to meet the ‘Basic’ remuneration code as a minimum standard.</p> <ul style="list-style-type: none"> what the outcomes were; and <p>We are happy with the remuneration statements and have not made any changes.</p> <ul style="list-style-type: none"> any follow up actions. <p>The policy is saved in the central Company Polices & Procedures folder.</p> <p><i>This question is not relevant for SNI firms</i></p>

(d)	<p>Does the RemCo/ management body in its supervisory function have the ability to apply discretion to adjust the bonus pool or individual payments including those paid out in individual incentive schemes?</p> <p>There is no discretionary bonus scheme in place. Adviser 33.3% payment is not discretionary.</p> <p>If so, please give an example of when they exercised that discretion and in what circumstances.</p> <p>Not applicable</p>

3.6	Control functions
	<i>Please refer to SYSC 19G.3.6 R to SYSC 19G.3.8 G</i>
(a)	<p>With regard to staff engaged in control functions, briefly explain how your firm ensures that these employees are:</p> <p>(1) are independent from the business units they oversee;</p> <p>Head of Compliance is a consultant. No senior staff are included in sales incentive bonus arrangements in future</p> <p>(2) have appropriate authority; and</p> <p>All Staff involved in the remuneration decisions are Senior Management Functions (SMF) or at Management Committee level</p> <p>(3) are remunerated in accordance with the achievement of the objectives linked to their functions, independent of the performance of the business areas they control.</p> <p>All Senior Manager payments are based on performance of their own role and not of the business areas they supervise</p>
(b)	<p>If applicable to your firm, describe how risk and compliance functions input into the setting of individual remuneration policies and individual remuneration awards across the firm. Please provide examples as appropriate.</p> <p>Head of Compliance prepares the Risk and Remuneration policies which are then approved by senior management</p>

	The Compliance Monitoring Plan and Risk Register both take account of remuneration issues
(c)	Please describe how the RemCo or, if such a committee has not been established, the management body in its supervisory function, oversees the remuneration of senior officers in the risk management and compliance functions.
	The Board the Managing Director make the decisions regarding Head of Compliance's remuneration – we do not have a risk manager.

Fixed and variable components of remuneration

3.7	Categorising fixed and variable remuneration <i>Please refer to SYSC 19G.4.1 R to SYSC 19G.4.4 G.</i>
(a)	<p>Please describe how your firm's remuneration policy makes a clear distinction between the criteria for setting fixed and variable remuneration.</p> <p>All staff are paid a fixed salary which is permanent, pre-determined, non-discretionary, non-revocable and not dependent on sales performance but subject to overall assessment in the Annual Appraisal.</p> <p>Bonus payments are based on set criteria for payment, including compliance with our procedures.</p> <p>Examples of the individual remuneration components that are included in fixed or variable remuneration are:</p> <p>All non-advising staff – basic fixed salary</p> <p>Advisers – 33.3% payment in respect of new business</p>

3.8	Balance of fixed and variable components of total remuneration <i>Please refer to SYSC 19G.4.5 R to 19G.4.12 G.</i> <i>Note that only SYSC 19G.4.5R and SYSC 19G.4.7G(1) and (2) (Fixed and variable components of remuneration) are relevant for SNI firms</i>
(a)	<p>Please explain how your firm ensures that:</p> <p>(1) the fixed and variable components of the total remuneration are appropriately balanced; and</p>

	<p>Most staff receive a relatively small variable element.</p> <p>(2) the fixed component represents 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.</p>
	<p>The 33.3% payment is subject to compliance factors which could reduce the payment to zero</p>
(b)	<p>Please provide details on the ratio between the variable and fixed components of total remuneration set by your firm. Please include the following:</p> <ul style="list-style-type: none"> • the maximum ratio and to which roles this ratio applies; • whether there are different ratios set for different categories of staff, including details of these; and • whether the ratio/s differed from this performance period to the last.
	<p><i>N/A as we are an SNI Firm</i></p>
(c)	<p>Please explain what factors your firm takes into consideration when determining the appropriate balance of fixed and variable remuneration; and (for non SNI firms only) the appropriate ratio.</p>
	<p><i>N/A as we are an SNI Firm</i></p>
(d)	<p>Please advise if there are any staff within your firm who receive only fixed or only variable remuneration and if so, provide further details including which roles this applies to.</p>
	<p>No staff receive solely fixed remuneration as they may all benefit from one or more of our bonus schemes.</p> <p>No staff receive solely variable remuneration.</p>

Variable remuneration

3.9	<p>Remuneration and capital</p> <p><i>Please refer to SYSC 19G.6.1 R</i></p>
(a)	<p>How do you ensure that your firm's variable remuneration does not affect your firm's ability to ensure a sound capital base?</p>
	<p>No variable payments are made unless Finance confirm that payment will not affect our ability to ensure a sound capital base.</p>

3.10 Assessment of performance

Please refer to SYSC 19G.6.4 R to 19G.6.6 G

Note that only SYSC 19G.6.5R to SYSC 19G.6.6G are relevant for SNI firms

(a) Please set out a high-level description of your firm’s approach to assessing individual performance. Your summary should include both financial and non-financial criteria and an explanation of how this assessment influences an individual’s remuneration.

- We are implementing an annual appraisal process which considers a range of factors both financial and non-financial
- Other targets to achieve to be eligible for variable payments are set out in our policy
- Eligibility for pay adjustment is then discretionary based on the above assessment
- There is no fixed split between financial and non-financial criteria.

Non financial criteria include:

Relevant Complaints in period
Relevant Breaches or Errors in Period
File Review results
Conduct Rules
T&C
General Compliance Behaviour

(b) Please explain how your firm ensures that when it assesses individual performance, the assessment process and any variable remuneration awarded does not discriminate on the basis of the protected characteristics of an individual in accordance with the Equality Act 2010.

There are no criteria which relate to protected characteristics.

4. Standard remuneration requirements

The standard and extended remuneration requirements do not apply to SNI firms. However, where an SNI firm has remuneration policies that are consistent with relevant sections i.e. deferral or shares, instruments and alternative arrangements, they may choose to include such information.

4.1	N/A as we are an SNI Firm
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5. Extended remuneration requirements

The extended remuneration requirements are not applicable to a **non-SNI** MIFIDPRU investment firm falling within SYSC 19G.1.1R(2). However, where a firm has remuneration policies that are consistent with this section, it may choose to include such information.

5.1	N/A as we are an SNI Firm
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6. Remuneration disclosures

6.1	Remuneration disclosures <i>Please refer to MIFIDPRU 8</i>
(a)	When did your firm last disclose the remuneration information required under MIFIDPRU 8? Last disclosure was on 28th August 2024 as at 21st February 2024 Please provide a link to the most recent remuneration disclosures on your firm's website. If your firm does not maintain a website, please advise where this information is available and provide a copy if requested.

	<p>https://www.ajwealth-management.com/bipru-remuneration-code-disclosures</p> <p>If your firm has not yet made your first remuneration disclosures under MIFIDPRU 8, when do you expect to do so?</p>
	<p>N/a as we have previously made MIFIDPRU disclosures</p> <p>For the year ending 21st February 2024, the total remuneration paid to asl staff was as follows:</p> <p>Fixed remuneration: £ 1,766,320</p> <p>Variable Remuneration: £ 48,787</p>

7. Other information

7.1	<p>Other information</p> <p><i>Refer to SYSC 19G.1.29 G and SYSC 19G.5.13 G</i></p>
(a)	<p>If not already included in your response above, please provide any further information on how your firm has gone beyond regulatory requirements; and/or has considered whether applying any of the rules applicable to MRTs to other members of staff would contribute to sound risk management or a healthy firm culture.</p> <p>None</p>