

IFPR Disclosure – Remuneration Policy

JULY 2023

Bentley Reid & Co (UK) Limited

The purpose of this Remuneration Policy is to set out how Bentley Reid & Co (UK) Limited ("Bentley Reid" or "the Firm") will provide remuneration in form and amount that is consistent with the FCA's MIFIDPRU Remuneration Code, whilst being able to attract, motivate and maintain high-calibre employees.

It is a general requirement that a firm must establish, implement and maintain remuneration policies, procedures and practices that are consistent with and promote sound and effective risk management¹. For the purposes of this policy, remuneration can be both 'variable' and 'fixed' and includes salaries, bonuses, long-term incentive plans, options, hiring bonuses, severance packages and pension arrangement. The Remuneration Code is concerned with the risks created by the way remuneration arrangements are structured and not with the amount of remuneration.

Bentley Reid is a MIFIDPRU small, non-interconnected (SNI) firm². Based upon the MIFIDPRU Remuneration Code issued by the FCA, it will normally be appropriate for such a firm to disapply various rules. Therefore, a proportional approach is adopted in respect of the Remuneration Code Principles.

Bentley Reid's Remuneration Policy is reviewed annually.

1. Gender neutral remuneration policies and practices

Bentley Reid's remuneration policies and practices are based on equal pay for male and female employees for equal work or work **of equal value. These policies and practices comply with the Equality Act 2010.**

2. Bentley Reid's variable remuneration arrangements

Bentley Reid's policy on the allocation of remuneration requires that its governing body set aside a proportion of the Firm's profits to form a bonus pool out of which variable remuneration awards are made. The size of the bonus pool will be at the discretion of the governing body, and duly recorded, giving due consideration to both the need to incentivise personnel and to the current and future risks faced by the firm. It is unlikely that any awards will be made in the event of Bentley Reid making a loss.

Risk management and risk tolerance

Bentley Reid has a low risk appetite. Bentley Reid's investment philosophy is the preservation of real wealth for clients, and the Firm has a low risk appetite. The Firm does not take positions where its own capital would be at risk. Bentley Reid does not hold client money or assets.

Supporting business strategy, objectives, values and long-term interests of the firm

Bentley Reid was established on 13 April 2011 and received its FCA authorisation on 19 April 2012. The Firm is a London based independent wealth management firm. It manages segregated mandates, FCA regulated OEIC funds, and an Alternative Investment Fund. Its directors and team of investment and operations professionals have significant market experience to provide hands-on expertise in sourcing, executing and managing the Firm's investment strategy.

Avoiding conflicts of interest

The Firm has developed, and maintains, a Conflicts of Interest Policy. Bentley Reid is aware of the need to ensure that its Remuneration Policy will not give rise to any conflicts of interest.

Governance and oversight

As mentioned,, there will be an annual review which will be undertaken by Bentley Reid's governing body with an independent review by the Compliance Officer. Remuneration decisions taken by the governing body will be consistent with Bentley Reid's financial condition and future revenues.

Control functions

Those engaged in control functions are given the appropriate authority to carry out that role and, as far as possible, they are independent from the business units they oversee. As Bentley Reid is a small firm with a limited number of personnel it is inevitable that this will not always be possible. In setting remuneration levels, Bentley Reid recognises the importance of attracting and retaining experienced staff that perform control functions.

¹ See 19G.2 Remuneration policies and practices

² It is a £75K Firm with no AT1 Capital

Remuneration and capital

Under no circumstances will Bentley Reid make any variable remuneration awards that would impact upon the Firm's capital base, either from the need to retain required regulatory capital or where the Firm has identified the need to build its capital base.

Profit-based measurement and risk adjustment

Financial performance is an important factor in the calculation of any variable remuneration (see also Principle 12). The measurement of financial performance is based principally on profits and not on revenue or turnover. In those instances when the latter is used in assessment, then Bentley Reid will also take into account the quality of business undertaken or services provided and their appropriateness for clients.

Awards reflect the financial performance of Bentley Reid and variable remuneration will contract where subdued or negative financial performance occurs. Bentley Reid will not ordinarily make any variable remuneration awards should the Firm make a loss. In both performance measuring and the allocation of variable remuneration, the governing body of Bentley Reid will make qualitative judgements on current and future risks and the cost and quantity of capital and liquidity required, making due recourse to the Firm's current ICARA and Wind Down Plan as necessary.

Pension policy

The Firm does not offer any non-cash pension benefits.

Personal investment strategies

It is possible that one effect of aligning an individual's remuneration with risk is that the remuneration may be subject to downside. As this alignment is an important feature of the Remuneration Code, staff is not be permitted to use any personal hedging strategies or take out insurance contracts that would undermine this alignment.

Avoidance of the Remuneration Code

Bentley Reid supports both the regulatory obligations and the ethics of Remuneration Code. No variable remuneration awards are paid through any vehicles or methods that would facilitate the avoidance of the Remuneration Code.

Fixed and variable components of remuneration structures

All remuneration paid to a staff member is categorised as either fixed or variable remuneration. The fixed component primarily reflects a staff member's professional experience and organisational responsibility as set out in the staff member's job description and terms of employment.

Where an individual's remuneration is variable, that is, performance-related, Bentley Reid will also take into account the performance of the business unit concerned and the overall results of the Firm.

The Firm does not award guaranteed variable remuneration. In exceptional circumstances, such payments may be considered should it undergo a major restructuring. In such cases, the governing body, will consider and document whether such an award would be in keeping with the Remuneration Code.

3. Disclosure

During the financial year ended 31 December 2022, the Firm paid £1,788,477 in fixed and £267,245 in variable remuneration to its staff.

4. Other

This Remuneration Policy is formally approved and adopted by Bentley Reid's governing body.