

Regulatory Disclosure

Introduction

The Investment Firms Prudential Regime (IFPR) came into effect on the 1 January 2022 as a new regime for UK firms authorised under the Markets in Financial Instruments Directive (MiFID).

The IFPR was implemented by the FCA as prudential regulation within the MIFIDPRU section of the FCA Handbook.

These disclosures set out NLP Financial Management Limited (NLPFM) annual public disclosures as required under MIFIDPRU 8 for the year ending 31/12/2023.

Scope and application of disclosure

These disclosures relate to NLPFM and the Stonewood group of companies which NLPFM is a part, NLPFM is an SNI MIFIDPRU Investment firm, authorised and regulated by the FCA.

NLPFM is required to disclose on an individual firm basis and these disclosures have been prepared in line with the requirements of MIFIDPRU 8.

As an SNI MIFIDPRU firm under IFPR we are required to disclose the following remuneration information regarding our remuneration policy and practices under MIFIDPRU 8:

Remuneration policy and practices

1. Qualitative disclosures

- Our approach to remuneration for all staff
- The objectives of our financial incentives
- The decision-making procedures and governance surrounding the development of the remuneration policies and practices our firm is required to adopt in accordance with the MIFIDPRU Remuneration Code, to include, where applicable:
 - The composition of and mandate given to the remuneration committee, and
 - Details of any external consultants used in the development of the remuneration policies and practices
- The key characteristics of our remuneration policies and practices to enable
 - An understanding of the risk profile of our firm and/or the assets it manages, and
 - An overview of the incentives created by our remuneration policies and practices
- The different components of our remuneration, together with the categorisation of those remuneration components as fixed or variable
- A summary of the financial and non-financial performance criteria used across the firm, broken down into the criteria for the assessment of the performance of
 - The firm,
 - Business units, and
 - Individuals

2. Quantitative disclosures

- The total amount of remuneration awarded to all staff, split into fixed v variable remuneration.

1. Qualitative Disclosures

Our approach to remuneration for all staff and the objectives of our financial incentives in respect of staff remuneration.

The remuneration policy of the group has the aim of keeping the client's at the centre of everything at each of the firms. The financial planners within the firm are incentivised to make sure clients are serviced according to our agreements and in a compliant manner. Staff that consistently meet the expectations of the firm are rewarded accordingly and those that do not meet these expectations are disincentivised accordingly .

Our decision-making procedures and governance surrounding the development of the firm's remuneration policies and practices.

The remuneration policy is reviewed on an annual basis by the Group's Boards' and has overall responsibility of the decisions of the group, this includes the group's compliance with the Remuneration Code subject to any applicable exemptions.

We have set up a Remuneration Committee who are responsible for agreeing levels of remuneration awarded to Directors and all advisory staff.

The committee is specifically not made up of financial planners to manage any kind of conflict of interest .

The key characteristics of our remuneration policies and practices including the different components of our remuneration, together with the categorisation of those remuneration components as fixed or variable.

The remuneration strategy of the group is set to enable our objectives of being able to attract people with a commitment to excellence and a passion for helping individuals achieve their financial goals.

The remuneration of all employees is made of salary and other benefits which are reviewed on an annual basis. The fixed proportion of salaries are set in a way that this is sufficiently high that it remains the largest proportion of the remuneration of each employee. These pay levels are reviewed on at least an annual basis to ensure that this remains the case.

There are different bonus schemes across the different firms within the group to reflect the different businesses and roles held within the group.

Most non advisory staff are on a discretionary bonus which is divided amongst staff. This amount is set through the annual budgetary process and is based on their contribution to the strategic aims of the business.

The advisory staff across the group are on a separate bonus scheme which is based on the income that they bring into the business and certain qualitative measures. The bonus payment can be deferred, adjusted or completely removed if the qualitative measures are not met. The qualitative measures are reviewed on an annual basis to ensure that these measures drives the behaviours that the group desires.

2. Quantitative Disclosures

As an SNI MIFIDPRU investment firm, we are required to disclose the total remuneration of all our staff split between fixed and variable remuneration for our performance year end which is also our financial year end.

For our year ending 31/12/2022, our total remuneration is split as follows:

Type of Remuneration	Amount £000s
Fixed Remuneration	£ 1,792
Variable Remuneration	£ 160
Total Remuneration	£ 1,808