

# **IFPR Public Disclosures**

30 September 2022

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# 1. Overview

## 1.1 Regulatory framework

The UK financial services regulator, the Financial Conduct Authority ("FCA"), introduced the Investment Firm Prudential Regime ("IFPR") on 1 January 2022 which is the new prudential regime that sets out the regulatory framework for governing the amount and nature of capital resources that investment firms must hold. The requirements of which are set out in the Prudential Sourcebook for MiFID Investment Firms ("MIFIDPRU") and are directly applicable to Integrated Financial Arrangements Ltd ("IFAL" or the Company). The IFPR includes a new framework for annual regulatory disclosures and this document sets out the disclosures that IFAL is required to make publicly that relate to its business. The following key areas are disclosed within this document:

- Risk management objectives and policies
- Governance arrangements
- Own funds
- Own funds regulatory requirements
- Remuneration policy and practices.

IFAL is a wholly owned subsidiary of IntegraFin Holdings plc ("IHP") and under IFPR is considered to be a non-small and non-interconnected investment firm (non-SNI) MIFIDPRU investment firm as it does not satisfy the requirement of MIFIDPRU 1.2.1R.

IFAL is required to make public disclosures under the requirements of MIFIDPRU 8 which replaces the requirements of Pillar 3 set out under the previous rules<sup>1</sup>.

### 1.1.1 Transitional arrangements

For the purposes of the 2022 Financial Year, IFAL has adopted the FCA's transitional provisions for disclosure contained within MIFIDPRU TP12. These provisions only require IFAL to disclose the details prescribed in MIFIDPRU 8.3 – Governance Arrangements, MIFIDPRU 8.4 – Own Funds and MIFIDPRU 8.5 – Own Funds Requirements. In addition, the Company has disclosed its Risk Management objectives and policies (MIFIDPRU 8.2).

IFAL's remuneration policy and practices are disclosed in accordance with TP 12.8R which follows the previous rules under the UK CRR. The Company is not required to make full disclosures under MIFIDPRU 8 until the end of a full performance year on the basis that IFPR came into force on 1 January 2022, after the commencement of the firm's annual reference date on 30 September 2021. The first remuneration policy and practices disclosures produced in accordance with MIFIDPRU 8.6 will be based on the performance year ending 30 September 2023.

Based on the previous rules, IFAL was required to disclose on a Prudential Consolidation Group ("PCG") basis, of which the scope was agreed with the FCA in early 2020. The constituent parts of the PCG comprised of IHP and all its entities, as set out in Appendix 1, excluding IntegraLife UK Limited ("ILUK"). The remuneration disclosures are therefore provided on a PCG basis. In future, disclosures will be based on an IFAL solo entity basis in line with MIFIDPRU 8.

<sup>1</sup> Capital Requirements Directive ("UK CRD IV") and the Capital Requirements (Amendment) (EU Exit) Regulations 2018 ("UK CRR").

## 1.2 Integrated Financial Arrangements Ltd

The primary business of IFAL is the provision of a UK financial adviser investment platform service called 'Transact' which was launched in 2000. Transact facilitates the management and execution of retail clients' investment portfolios by their financial advisers and, to a limited extent, by the retail clients themselves. The business model is designed to allow clients to manage the tax efficiency of their investments. The investment platform service operates on an execution-only basis and does not provide investment advice. IFAL is regulated by the FCA as a non-SNI MIFIDPRU investment firm and is entered on the Financial Services Register under number 190856.

IFAL is also the provider of the General Investment Account, is a SIPP operator, an ISA Manager and is the Custodian for all assets held on the platform (except for those held by third party custodians). Transact Nominees Limited ("TNL") is the nominee and legal owner of all assets held on the Transact platform, other than where clients hold fixed term deposits which are held by Transact Trustees Limited ("TTL") on behalf of clients.

IFAL does not deal in investments as principal. All client assets are held by the nominee company, TNL, or the Trustee company, TTL, which do not make any guarantees as to the performance of investments. Client money is held separately from corporate money.

IFAL is headed by its parent company IHP, the ultimate controlling party of IFAL and the IHP Group. IHP is an unregulated public limited company listed on the London Stock Exchange.

## 1.3 IntegraFin Holdings plc

IHP is focused on the delivery of financial services infrastructure and associated services to UK advisers and our mutual clients. It aims to create, maintain and improve value for our six principal groups of stakeholders – our clients and advisers, our employees, our regulators, our shareholders, our suppliers and the community. To do this it needs to maintain its reputation for delivering a high quality, value for money service. This is achieved by keeping its offering relevant to current and future new clients through ongoing development which ensures it meets the needs of clients and their advisers.

The primary business of IHP and its subsidiaries, listed in Appendix 1, (together the "IHP Group") is providing a UK financial adviser investment platform service that trades as "Transact". Transact facilitates the execution and implementation of retail clients' investment portfolios by their financial advisers and, to a limited extent, by the retail clients themselves. The investment platform service operates on an execution-only basis and only accepts new clients if they are introduced and advised by financial advisers who are authorised and regulated by the FCA.

## 1.4 Frequency and location of disclosure

The IFPR Disclosure document will be published annually on Transact's website at [www.transact-online.co.uk/important-information](http://www.transact-online.co.uk/important-information) and on the IHP Group website at [www.integrafin.co.uk/legal-and-regulatory-information](http://www.integrafin.co.uk/legal-and-regulatory-information) at the same time as IFAL publishes its annual financial statements. IFAL will assess on at least a quarterly basis the need to publish some or all of the above disclosures on a more frequent basis. Any material changes in the firm's risk profile will trigger an Individual Capital Adequacy and Risk Assessment ("ICARA") review, which is described in section 3.5. The IFPR Disclosure document will be updated where there are material changes in the ICARA capital figures.

Additional disclosures form part of IHP Annual Report and Accounts and these are signposted where applicable.

## 1.5 Reporting period and basis of disclosure

This report covers the financial position as at 30 September 2022 in line with IFAL's financial year end. All information in this report is disclosed in Pounds Sterling (GBP) unless stated otherwise. The introduction of IFPR represents a fundamental change to the basis of IFAL's Public Disclosures which is now specific to IFAL instead of the PCG. A comparison between these disclosures to the Pillar 3 disclosures as at 30 September 2021 has not been included as they cannot be directly compared.

Some of the IFPR disclosures have been taken from IFAL's audited financial statements (and have been noted as such in the document). However, the IFPR disclosures have not been audited.

IFAL and the IHP Group are required under regulatory guidance to disclose material matters. The relevant Boards regard information as material if its omission or misstatement could change or influence the assessment or decision of a user relying on that information for the purpose of making an economic decision. If the Board considers certain information to be immaterial, it may be omitted from this disclosure document.

Total figures disclosed in this document may not equal the sum of the constituent figures due to rounding.

## 2. Executive summary

This document contains information concerning the risk management objectives and policies, governance arrangements, own funds and own funds regulatory requirements, and remuneration policy and practices according to the FCA's MIFIDPRU rules taking appropriate and allowable transitional arrangements into account. The information contained in this document reflects the position as at 30 September 2022.

### 2.1. Risk Management (MIFIDPRU 8.2)

Details of the firm's risk management objectives and policies have been set out in section 3. This contains details of:

- The potential for harm associated with the business strategy and a summary of the strategies and processes used to manage the categories of risk addressed by:
  - Own funds requirements
  - Concentration risk
  - Liquidity.
- The firm's approach to risk management by reference to its risk management policies;
- details of the firm's risk management structure and operations, for example, the senior manager responsible for each area of risk (where applicable), and any relevant committees and their responsibilities;
- how the firm sets its risk appetite; and
- a summary of how the firm assesses the effectiveness of its risk management processes.

### 2.2. Governance (MIFIDPRU 8.3)

As a non-SNI MIFIDPRU investment firm IFAL is required to disclose details of its governance arrangements which consist of:

- an overview of the firm's governance and risk committee arrangements;
- the number of directorships held by each member of the governing body, excluding those held across other subsidiaries within the IHP Group or positions held in non-commercial operations e.g. charities;
- the approach the firm takes to support and promote diversity across the governing body; and
- whether the firm has established a risk committee in line with the requirements of MIFIDPRU 7.3.1.

Full details of these arrangements are set out in section 4 of this disclosure document.

### 2.3 Own funds (MIFIDPRU 8.4)

Details of the firm's own funds capital structure have been set out in section 5. This contains details of:

- The composition of the firm's regulatory own funds capital;
- a reconciliation of the same lines to the latest audited balance sheet of the firm using the prescribed template (MIFIDPRU 8 annex 1R); and
- a description of the capital tiers of the firm.

Full details of these arrangements are set out in section 5 of this disclosure document.

## 2.4 Own Funds requirement (MIFIDPRU 8.5)

Sets out information regarding the firm's compliance with the requirements contained in MIFIDPRU 4.3, own funds requirements. This includes details of:

- The K-factor requirements broken down as follows,
  - a)** The sum of the K-CMH requirement and K-ASA requirement
  - b)** The K-COH requirement.
- The outcome of the firm's assessment of the adequacy of its own funds; and
- the fixed overhead requirement (FOR).

Full details of these arrangements are set out in section 6 of this disclosure document.

## 2.5 Remuneration Code (MIFIDPRU TP 12.8)

The firm has made disclosures in accordance with MIFIDPRU TP 12.8R regarding its remuneration code. On the basis that the firm's accounting reference date, being 30 September, commenced before the implementation of IFPR a full performance year has not been completed at the point of this disclosure document. The firm has set out in section 7 the full details under the UK CRR requirements of its remuneration code. This includes details regarding;

- The remuneration policy;
- the link between pay and performance; and
- total remuneration.

Full details of these arrangements are set out in section 7 of this disclosure document.

# 3 Risk Management

## 3.1 Risk Management objectives and policies

One of IFAL's key corporate objectives is to maintain financial resources, including capital and liquidity, which are sufficient in amount and quality to ensure that there is no significant risk that its liabilities cannot be met as they fall due.

IFAL is committed to a proactive approach to risk management to reduce the risk of harm to clients, to IFAL itself and to the markets it operates in. Risk management activity is aligned to the business plan objectives and priorities. It encompasses all strategic and operational risks that may prevent IFAL from fulfilling its objectives.

Risk management is integrated with IFAL's management processes and lies at the heart of its decision making. Communication and learning are key to the process being effective.

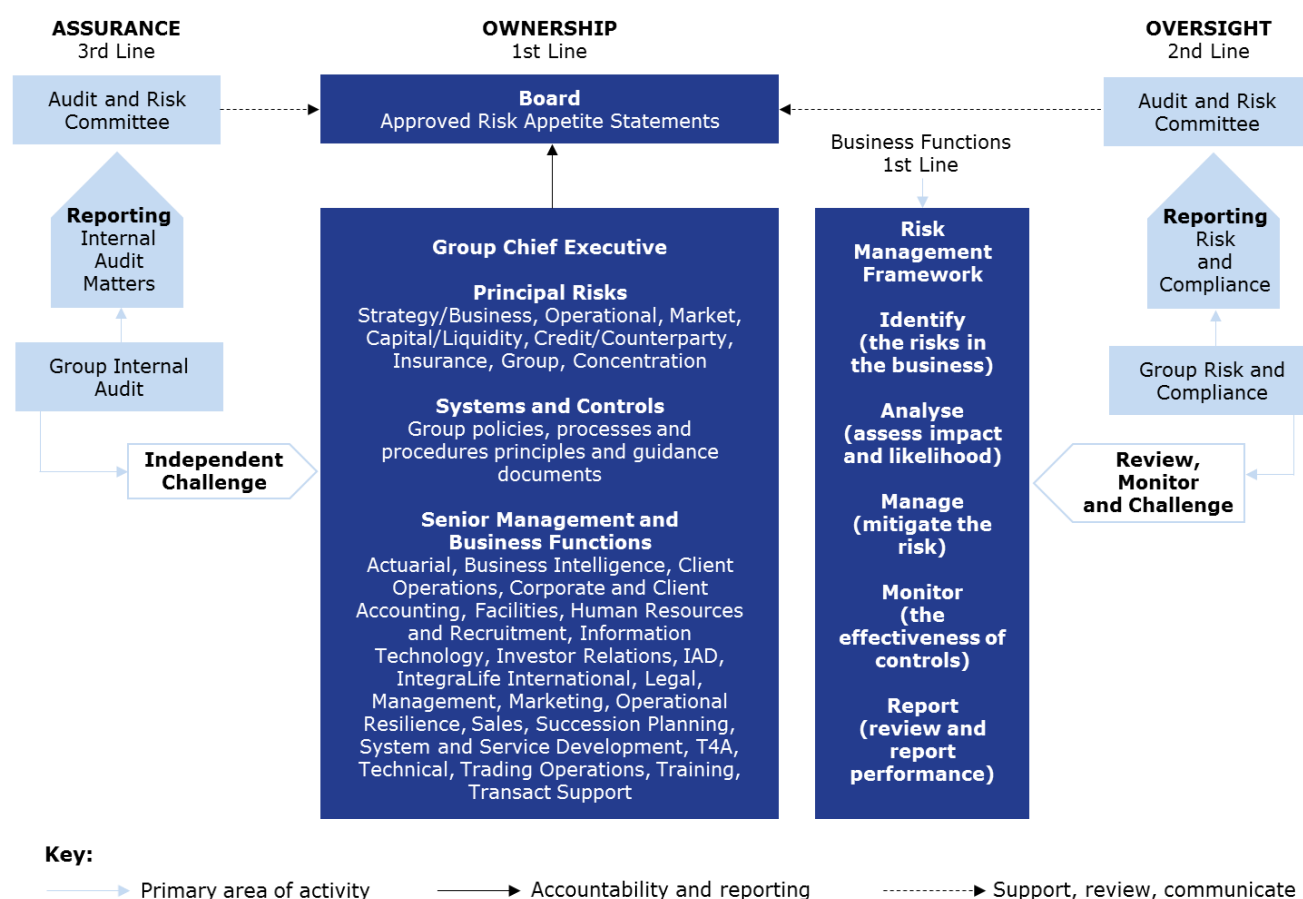
Risk management is a continual learning process of risk identification, assessment, mitigation, monitoring and reporting that is embedded in the culture of the business.

In order to align the risk management activities with the business objectives, IFAL has adopted the IHP Group Risk Management Policy and Framework and therefore the IHP Board and the IFAL Board are responsible for ensuring effective risk management policies and practices are in place. IFAL has also put in place the IFAL Liquidity Risk Management Framework.

The IFAL Audit and Risk Committee ("ARC") Terms of Reference requires that on an annual basis the IFAL ARC reviews that the IFAL strategy is properly supported by the IHP Group Risk Management Policy and Framework.

### 3.2 Risk Management framework

The IHP Group governance structure and application of the IHP Group Risk Management Framework, as adopted by IFAL, is shown below:



### 3.3 Three Lines Model

The IHP Group's Risk Management Framework is implemented through a "three lines" risk governance model (illustrated above) to ensure the Company operates within the risk appetite defined by the IFAL ARC and the IHP ARC and approved by the respective Boards. This model is based on the principle that, to be effective, risk management capability must be embedded within the business, with independent oversight and assurance.

- **First Line –** The first line is its business departments ("the business") which have responsibility for managing and controlling their risks in accordance with agreed risk appetites through the implementation of a sound set of processes and controls.

Responsibility for risk management resides at all levels of the business, from the senior management team to department and team managers. All staff members are accountable for managing risks within the business areas for which they are responsible, ensuring compliance with prescribed plans, policies and prevailing regulatory and legislative requirements.

The business is also responsible for complying with the policies and standards which comprise the IHP Group's Risk Management Framework. Current key risks and issues facing the IHP Group are considered by the management team, with each key risk owned by the member of the management team who is responsible for the strategic management of that risk across the IHP Group.



- **Second Line** – The second line comprises of two functions: the Group Risk Management function and the Compliance function.

The Group Risk Management function is responsible for coordinating all the risk management activities within the business. This includes the development, maintenance and enhancement of the IHP Group Risk Management Policy and Framework, as well as risk management reporting.

The Compliance function is primarily responsible for supporting the IHP Group to ensure its activities are conducted in accordance with all applicable regulatory requirements.

The Group Risk Management and Compliance functions provide regular reports to the IFAL ARC and the IHP ARC, which are comprised solely of independent Non-Executive Directors ("NEDs").

- **Third Line** – The third line is the Group Internal Audit function, which provides independent assurance on the adequacy and effectiveness of the IHP Group's risk management and major business process control arrangements. The Head of Internal Audit reports directly to the Chairman of the IFAL ARC and the IHP ARC. The Committees are comprised solely of independent NEDs.

Group Internal Audit performs regular audits across the business on the implementation and effectiveness of the IHP Group Risk Management Policy and Framework and internal controls. The results of these audits are reported to the IHP ARC and the IHP Board. Where Group Internal Audit has reviewed the effectiveness of IFAL's risk management and internal controls, this is reported to the IFAL ARC and IFAL Board. The Boards are satisfied that Group Internal Audit provides sufficient assurance about the IHP Group Risk Management Policy and Framework and internal controls.

### 3.4 Risk management practices

The IHP Group and IFAL are committed to maintaining a proactive approach to risk management. In establishing the Risk Management Policy and Framework for the IHP Group, consideration has been given to the effective management of the business, regulatory requirements and the principles of risk management as defined by the Committee of Sponsoring Organisations of the Treadway Commission ("COSO").

The objective of the IHP Group's Risk Management Policy and Framework is to ensure that the approach to risk management that is adopted by IFAL:

- supports the IHP Group's business strategy;
- facilitates the IHP Group's creation of value and mitigates risks that have the potential to destroy value through addressing uncertainty explicitly;
- ensures that the process of risk management is developed and managed throughout the IHP Group in a consistent manner;
- ensures that risk management is embedded throughout the IHP Group, promoting a culture of risk awareness and risk ownership;
- ensures that the IHP Group has sound systems of risk management in place and is able to demonstrate it operates effectively;
- provides the IHP Group with the tools required to enhance risk based decision making throughout the organisation; and
- meets all the risk management related regulatory requirements.

A consistent approach to the identification, assessment, mitigation, monitoring, and reporting of risks is embedded throughout the IHP Group, including IFAL. The key risks in each area of the business are identified and monitored on a regular basis. The risk experience emerging from each business area is used to improve all aspects of the risk management process within the IHP Group.

Risk appetite can be defined as the amount of risk that the IFAL Board is prepared to accept in order to achieve its business objectives. In having an overall conservative appetite for risk, IFAL has a Risk Appetite Framework which is approved by the IFAL Board at least annually, which sets key risk appetite statements covering solvency, liquidity and operational risks. There are agreed qualitative and quantitative statements, overseen by the IFAL ARC, which are designed to express the maximum risk exposure that the Company is willing to take in the normal course of business.

A risk report is produced by the Group Risk Management function on a quarterly basis and is provided to the IFAL ARC. Additionally a quarterly risk report is provided to the IHP ARC. Based on the risk register, this report contains analysis on the changes in the risk register and top risks, including tail risks. In addition, it provides details of the status of risk appetites, Key Risk Indicators, loss data, risk culture and other relevant updates and concerns.

The Chairman of the IFAL ARC subsequently informs the IHP ARC or the IFAL Board of any relevant and material issues for discussion and approval in respect of IHP or IFAL respectively.

### 3.5 Internal Capital Adequacy and Risk Assessment Process ("ICARA")

Prior to IFPR, IFAL undertook the Internal Capital Adequacy Assessment Process ("ICAAP"). IFAL transitioned to the ICARA process from 1 January 2022 and will undertake this at least annually to the accounting reference date of 30 September or following any material change in IFAL's business or operating model. However, the ICARA process is carried out throughout the year with risk management activities that feed into the ICARA process, and its conclusions, assessed on a continuous basis. The IFAL Board considers and approves the outcome.

IFAL is required to have in place appropriate systems and controls to identify, monitor and, if proportionate, reduce all material potential harms that the ongoing operation of its business may cause to:

- IFAL's clients;
- IFAL itself (the firm); and
- the markets in which IFAL operates.

In addition to any potential harms that may result from winding down its business, ensuring it can be wound down in an orderly manner.

The ICARA is an interactive process that involves Group Risk Management, Senior Management and Heads of Departments. It is an iterative process that follows the three lines risk governance model and incorporates several layers of challenge before the final output reaches the IFAL Board. It ensures a clear and transparent link between the risk profile of the business and the capital and liquidity it holds.

Taking the above factors into account, IFAL "must, at all times, hold own funds and liquid assets which are adequate, both as to their amount and their quality to ensure that:

- a) the firm is able to remain financially viable throughout the economic cycle, with the ability to address any material potential harm that may result from its ongoing activities; and
- b) the firm's business can be wound down in an orderly manner, minimising harm to consumers or to other market participants."

This is known as the overall financial adequacy rule ("OFAR").

The IFAL Board recognises the importance that business decisions have on capital requirements and uses the ICARA process to support business decision-making and considers it to be embedded into the business. On this basis the IFAL Board is satisfied that the firm has sufficient own funds and liquid assets to meet the OFAR.

The ICARA report for the year ending 30 September 2022 was formally approved by the IFAL Board in December 2022.

### 3.5.1 Stress testing

The IHP Group undertakes scenario analyses and bottom-up stress testing on the most significant risks identified. The stress design and calibrations are challenged by senior management and the IFAL ARC as part of the ICARA process. Capital adequacy principles are applied to produce the ICARA report for consideration by the Board.

## 3.6 Principal risks

As part of the ICARA process, IFAL has identified that by pursuing the achievement of its corporate objectives, it is exposed to the following principal risks that may result in material harm to clients, the markets it operates in and itself. IFAL has considered these risk categories when assessing its own funds requirement:

**Operational risk:** This is the risk of loss due to failings in people, processes, or systems; or due to the failure to anticipate and deal with external events, including third party failures as well as regulatory change. IFAL employs a wide range of control and reporting measures to manage and mitigate its operational risk exposure, including documentation and testing of all key processes, and thorough stress and scenario testing of events which could create significant operational risk.

The key operational risks are information security, IT infrastructure and business continuity related, all of which include exposures to cyber risks. IFAL aims to minimise operational risk at all times through a strong and well-resourced control and operational structure combined with continuous investment in both people and systems. This is supported by the strong corporate governance structure that is embedded across the IHP Group as a whole.

Active system developments and maintaining effective cyber defences mitigate against the risk of IT infrastructure failure, information security breaches and the continuous and evolving sophistication of cyber-attacks. Operational risk events are captured and full root cause analysis is undertaken to ensure lessons are learned and improvements are made where necessary.

Operational resilience is assessed across a range of collective operational resources which include IT, people, facilities and processes both internally and externally sourced. The ability to maintain operations in the event of unexpected operational disruption without causing levels of intolerable harm to customers, being clients and adviser firms on the platform, remains high on the operational risk agenda.

In addition, the IHP Group is aware of its need to retain and attract experienced and competent people within the business. In this regard salary benchmark reviews are undertaken, a comprehensive career and training development programme is maintained and staff are provided with a flexible working environment that meets both staff and business needs.

These aspects form an integral part of the environmental, social and governance (ESG) agenda. The IHP Group has embraced the developments by continuing to work towards understanding the impact of climate change on the business operations and ensuring diversity and inclusion is actively embedded across all areas of the business.

**Market risk:** This is the risk that the value of, or net income arising from, assets and liabilities changes as a result of changes to market forces, specifically equity prices, interest rates or exchange rates. IFAL does not undertake proprietary trading, nor do any other companies within the IHP Group; it has no appetite for primary risk impact from market movements. IFAL has indirect exposure to market risk due to earnings volatility caused by the fluctuation of the value of funds under direction, and consequent impact on IFAL's fee income. When establishing its capital requirement, IFAL undertakes stress and scenario testing to model and allow for significant market falls.

Stress and scenario analysis is conducted to demonstrate that IFAL (and the wider IHP Group) is resilient to market fluctuations which impact the value of funds under direction.

**Liquidity risk:** This is the risk that IFAL does not have sufficient accessible cash to enable it to meet obligations as they fall due. Liquidity risk is managed by maintaining sufficient resources in liquid investments, and the related credit risk is diversified by holding corporate cash in a number of UK-based banks.

IFAL carries out appropriate liquidity stress testing and maintains contingency funding plans. In addition, IFAL holds unencumbered cash, in a dedicated account, for the sole purpose of covering the initial period of winding down the company in the unlikely event an adverse scenario arose causing it to no longer be considered viable.

The IFAL Liquidity Risk Management Framework describes the firm's overarching liquidity systems and controls requirements in line with its liquid asset threshold requirement (MIFIDPRU 7.7.2R) and sets out how IFAL will maintain overall resources to adhere to the liquidity risk appetites set by the IFAL Board.

**Credit and counterparty risk:** This is the risk that a borrower or counterparty fails to pay the interest or to repay the principal on a loan or other financial instrument.

IFAL has a limited appetite for significant loss arising from any counterparty's failure to meet their obligations under a contract. IFAL maintains conservative third party counterparty risk limits which must be adhered to. There is an annual review of banks used for holding client and corporate cash to assess their strength and, if necessary, to mitigate any short term cash flow or liquidity risk. IFAL also manages credit risk through the rigorous separation of client money and assets from corporate assets. Also, inter-company payments within the IHP Group are settled monthly, reducing the credit risk exposure.

IFAL is not exposed to counterparty credit risk, as it does not enter into derivative transactions. In the normal course of business, IFAL is not exposed to counterparty risk from its clients, as fees are charged to clients and paid from their cash held on the Transact platform. There are measures that IFAL can take to recover unpaid fees. Where clients owe an IHP Group company fees, and these are past due and there is no realistic expectation of the fees being recovered, then the IHP Group makes a full provision for the amount owing. "Past due" is defined as any sum owing to any member of the IHP Group that is past its contractual settlement date. After three months, the sum is treated as "impaired", and provided for at 100% of the amount owing. The exception to this is where fees are owed by clients on limited liquidity assets, in this case fees are provided for at 100% when they fall due as these assets are not liquid enough to generate cash to pay fees.

**Concentration risk:** Concentration risk can arise from an uneven distribution of exposures in a particular area of category of risk. Concentration is an aspect of each of the risks that have been assessed as part of IFAL's overall own material risk assessment and are monitored regularly, with Board approved risk appetites in place to limit concentration risk where appropriate. In particular:

- **Client money deposits:** The largest exposure for the Company is the credit risk in relation to Client Money cash balances held in banks. The Company considers the credit rating of banks used and carries out due diligence in order to gain comfort over the recoverability of these balances. Risk

appetites are in place to limit the exposure to any single bank and the IFAL Board has sufficient control to keep the concentration levels within appetite through moving the cash around and opening new bank accounts if necessary.

- **Fund management company concentration:** This is the risk that a large share of funds under direction ("FUD") is invested with a small number of fund managers. Most clients have a mix of funds provided by a range of fund management companies in their portfolios. If one fund management company were to withdraw access to its products from the platform, clients are able to invest in many other similar funds from other fund management companies. This is not considered to represent a threat in terms of concentration risk.
- **Adviser firm concentration:** This is the risk that business source is concentrated to a few number of financial advisers. This is considered low risk.
- **Individual client concentration:** This is the risk that a small number of clients hold a large percentage of FUD. This is considered low risk.

### 3.7 Other material risks

IFAL manages its exposure to other material risk categories, including:

**Uncontrolled expense risk:** This is the risk that IFAL incurs higher expenses than expected and budgeted for which would adversely impact cash profits. The most significant elements of IFAL's expense base are third party administration costs to IntegraFin Services Limited ("ISL"), an IHP Group company that provides administration and management services to other IHP Group companies, of which the majority is made up of staff costs.

IFAL models staff requirements against forecast business volumes taking into account efficiencies that are expected to emerge through platform development. Expenditure requests that deviate from plan are rigorously challenged and must be approved before they are incurred.

**Business and Strategic risk:** This is the risk associated with poor strategy design or implementation, as well as brand and reputational risk and business environment risk.

IFAL's business plan is set on an annual basis and presented by the management team to the Board for approval. Management then monitors the plan on a regular basis to ensure that any deviations from the plan are addressed and appropriate actions taken. The Board has considered risks to IFAL's business model that might result in its income falling or becoming more volatile. The management team monitors IFAL's income and other financial and non-financial metrics on a monthly basis, and more frequently as required. The management team tracks any trends that they consider could affect IFAL or the wider IHP Group's performance, and addresses them where necessary.

IFAL operates in an increasingly competitive market with improvements and offerings from other investment platforms and consolidation in the adviser market making it more challenging to attract and retain business. IFAL's focus is on providing exceptionally high levels of service and being responsive to client and financial adviser demands through an efficient expense base. Organic and acquisitive opportunities are considered that will enhance or complement its current service offerings to the adviser market and the IHP Group continues to review its business strategy and growth potential.

The Board is aware of the business risks IFAL faces, and focuses on their management with early warning controls and monitoring key metrics, including key performance indicators ("KPIs").

Additionally, the external environment is continuously monitored and reported to the IFAL ARC via the Horizon Scanning register and ad-hoc risk assessment papers derived from it in order to provide additional information on the impact to the Company. This includes scenario analysis and reverse

stress testing to understand vulnerabilities and ensure that despite extreme but plausible scenarios IFAL meet the OFAR.

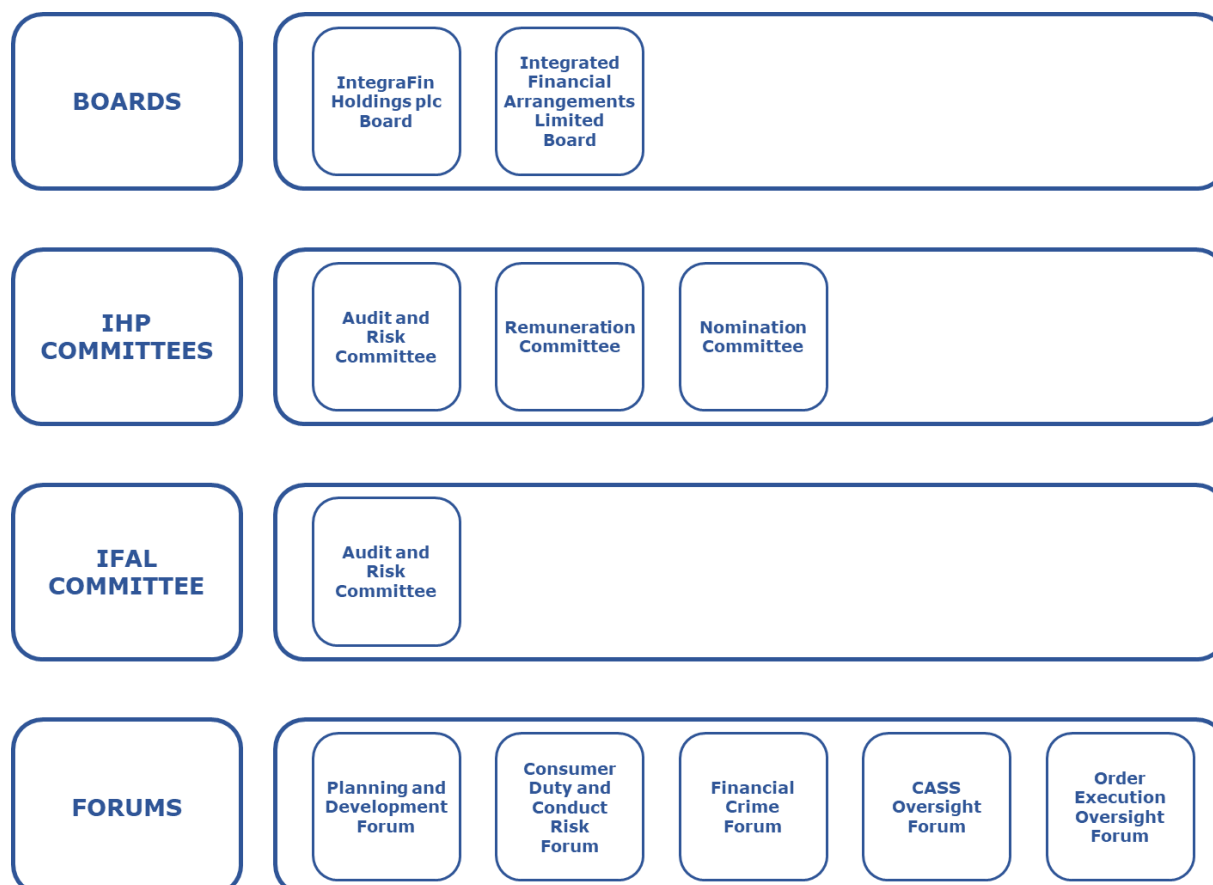
**Service standard failure:** IFAL's success is dependent upon consistent and reliable levels of service. Failure to maintain these service levels would affect its ability to attract and retain business. Client service teams are provided with extensive initial and ongoing training, supported by experienced subject matter experts and managers to manage this risk. Service levels are monitored and quality checked and any deviation from expected service levels are addressed.

**Diversion of platform development resources:** Reduced investment in the platform as a result of the diversion of resources to other non-discretionary expenditure (for example, a change in the taxation regime or other regulatory developments) may affect its competitive position by affecting quality and relevance of its proposition to clients and advisers. The risk is reduced by maintaining a disciplined approach to expense management and forecasting. The IHP Group scans for upcoming regulatory and taxation regime changes and maintains contingency to allow for unexpected expenses which ensures that investment in the platform is not compromised to a degree that affects its offering.

## 4 Governance Arrangements

### 4.1 Overview of Governance Arrangements

There are three regulated companies within the IHP Group: IFAL, ILUK and IntegraLife International Limited ("ILInt"). Each Board operates according to terms of references, which are reviewed annually by way of a standing agenda item. The following paragraphs provide details of IFAL's Board and Committees remit, responsibilities and members. The structure of the IHP Group and IFAL's corporate governance arrangements is shown below:



## 4.2 Corporate restructure

The entire issued share capital of IntegraLife UK Limited (ILUK), IntegraLife International Limited (ILInt), Transact Nominees Limited (TNL), Transact Trustees Limited (TTL), Objective Wealth Management Limited (OWM) and Objective Funds Ltd were distributed by the Company to its ultimate parent company IHP on 1 July 2022. As IHP was already the ultimate parent company this did not amount to a change of control.

These transfers were made for nil consideration and each of the transfers constituted a distribution in kind by IFAL. The amount of each distribution was taken to be the book value of the relevant shares, being:

- £1.7m for ILUK
- £1.0m for ILInt
- £1 for each of TNL, TTL, OWM and Objective Funds Ltd.

There were no other changes in the IHP Group structure during the reporting period, which can be found on IntegraFin's website at [www.integrafin.co.uk/our-group](http://www.integrafin.co.uk/our-group).

## 4.3 The Role of the Board

### 4.3.1 Remit

The IFAL Board is the main decision making body for IFAL. It determines the overall strategic direction and is responsible for the overall management of the firm's business operations. IFAL's Board of Directors set the risk appetites for the business to ensure it operates within its strategic risk profile. The Board meets at least quarterly and reviews the business performance against appetite, undertakes a strategic review of issues and assesses any potential harms that might arise impacting customers and the firm.

### 4.3.2 High level decision making and control framework

Decision making responsibility at IFAL rests ultimately with the Board. This is cascaded through the organisation by delegation of responsibility to Senior Management and the IFAL ARC.

As shown above, the Board is ultimately responsible for all aspects of control and risk management, not just financial controls. Although responsibility is delegated for some day to day activities, the Board maintains overall responsibility for the strategy of the firm and its compliance with all laws and regulations.

Senior management have active day to day involvement in the running of the business. However, the Company adheres to the following principles in its high level organisational arrangements:

- Reporting lines and the extent and limits of delegation are clear, documented and communicated appropriately.
- Senior management supervise delegation and monitor the discharge of delegates' functions.
- If any cause for concern is identified through supervision and monitoring, appropriate follow up action is taken.
- Duties are segregated to reduce opportunities for conflicts, financial crime and breaches of regulatory requirements.

### 4.3.3 Information about the management body

IFAL's management body is the Board of Directors of IFAL. As at 30 September 2022, there were eight directors, comprising the Chairman, who is a non-executive director (NED), four further NEDs and three executive directors.



The table below sets out the members of the IFAL Board and their total number of directorships as at 30 September 2022. Directorships held within the same group (for external directorships) are counted as a single directorship.

<b>Name</b>	<b>Position within IFAL</b>	<b>No. of external individual directorships held (in scope of MIFIDPRU 8.3.1R(2))</b>
Richard Cranfield	Chairman - Non-Executive	1
Neil Holden	Non-Executive	2
Jeremy Brettell	Non-Executive	3
Christopher Munro	Non-Executive	2
Robert Lister	Non-Executive	2
Jonathan Gunby	Executive	0
Alexander Scott	Executive	0
Jane Isaac	Executive	0

The members of the Board of Directors are able to dedicate enough time to the role and maintain a high level of awareness of:

- The balance of knowledge, skills, diversity and experience of the management body.
- The needs of the business when deciding on suitable candidates for a new appointment (including understanding the details of the roles and capabilities required for the appointment, and consideration of the importance of complementary skills on that Board).
- The appropriateness of the structure, size, composition and performance of the management body, and the need for any changes/additions to the body, on an ongoing basis.
- The role of NEDs in ensuring that decision making is based upon appropriate input from the whole membership of the management body, and decision making is not made in a way which is detrimental to the firm.

The composition of the Board is established to ensure it possesses a broad set of qualities and competences which enable a balanced view of the role requirements to be formed and the knowledge, skills and experience of individual members are subject to annual review as part of the Board's terms of reference.

#### **4.3.4 Conflicts of interest**

IFAL has a Conflicts of Interest Policy in place that has been approved by the IFAL Board. The Company's Articles of Association permit the Board to consider and authorise situations where a director has an actual, or potential, conflict of interest in relation to the Group. The Company maintains a conflicts of interest register, which is reviewed annually by the IHP Nomination Committee and the Board. In addition, prior to each Board meeting, the directors are asked to declare any conflicts they may have with regard to the business meeting. Directors who declare a conflict of interest may be authorised by the rest of the board to participate in decision making in accordance with section 175 of the Companies Act 2006.



The Board considers and, if appropriate, authorises any conflicts or potential conflicts of interests of directors and imposes any limitations, qualifications or restrictions as required or as recommended by the IHP Nomination Committee.

#### 4.3.5 Recruitment and selection of members of the Board of Directors

The IHP Group recognises the benefits of companies having a diverse Board and sees diversity at Board level as important in maintaining good corporate and board effectiveness. The IHP Group has an established diversity policy dealing with appointments to the Board.

The objective of the IHP Group's diversity policy is to ensure that new appointments to any Board within the IHP Group are made on merit, taking into account the different skills, industry experience, independence, knowledge and background required to achieve a balanced and effective Board.

When determining the composition of the Board, consideration is given to the diversity of board members and, when possible, appointments are made with a view to achieving a balance of skills with diversity.

Further information on the diversity of the Board is included in the IHP Annual Report and Accounts which provides details of:

- The objectives and targets that are set out in the diversity policy;
- The extent to which the objectives and targets have been achieved, including:
  - the reasons for the shortfall;
  - the proposed actions to address the shortfall; and
  - the proposed timeline for taking those actions.

#### 4.4 IFAL Audit and Risk Committee ("ARC")

IFAL has an Audit and Risk Committee which provides oversight and advice to assist the Board in fulfilling its responsibilities in respect of risk management and control for IFAL and ensures the effectiveness of risk management processes. The IFAL ARC meets at least four times per year and more often when necessary. In the financial year ending 30 September 2022, the IFAL ARC (previously the IFAL Group Risk Committee prior to the corporate restructure on 1 July 2022 as set out in section 4.2) met five times.

The IFAL ARC reviews the manner in which the firm implements and monitors the adequacy of the IHP Group Risk Management Policy and Framework, assessing the adequacy of the internal risk management controls. It assists the Board in fostering a culture within the firm that encourages good stewardship of risk. It emphasises and demonstrates the benefits of a risk-based approach to internal control and management through a consistent approach to identification, assessment, mitigation, monitoring and reporting of risks. In addition, the IFAL ARC oversees regulatory and compliance matters as part of risk oversight.

#### 4.5 Management team

The management team, which normally meets monthly, has collective responsibility for daily oversight and management of activities in accordance with the IHP Group's risk management objectives and policies.

## 4.6 Other Forums Supporting the IFAL Governance Arrangements

### 4.6.1 Planning and Development forum

The Planning and Development Forum is established as an operating group of IFAL. Its purpose is to review and prioritise those projects that the executive consider to be of significance. The CEO will provide advice to the Board of any significant project risks and mitigating actions taken.

### 4.6.2 Conduct Risk forum

The Conduct Risk Forum is established as a specialist working group. Its purpose is to oversee the performance of IFAL, ILUK and ILInt against:

- i) Treating Customers Fairly ('TCF') values
- ii) the FCA outcomes
- iii) the applicable treating policyholders fairly obligations under the Isle of Man FSA
- iv) the Isle of Man Corporate Governance Code for regulated Insurance Entities.

From July 2023 the FCA is introducing rules to create a consumer duty owed to retail customers by persons authorised under the Financial Services and Markets Act 2000 to carry-on regulated investment activity by way of business. To support compliance with the duty, the FCA is also introducing rules about how an authorised firm's management and board should oversee and assure itself that the firm is meeting its duty and securing the right outcomes for its retail customers. The consumer duty applies to and will impact IFAL, its Senior Management Function Holders and code staff.

The consumer duty will have three key elements: a new consumer principle, which will reflect the overall standards of behaviour the FCA expects from firms; new rules that would require three key behaviours from firms (taking all reasonable steps to avoid foreseeable harm to customers; taking all reasonable steps to enable customers to pursue their financial objectives; and acting in good faith); and an additional set of rules and guidance in relation to communications, products and services, customer service and price and value.

As a result the Conduct Risk forum will be refocused to ensure compliance with the consumer duty rules and will become the Consumer Duty and Conduct Risk Forum ahead of the implementation of these rules.

### 4.6.3 Financial Crime forum

The Financial Crime Forum is established as a specialist working group to provide oversight of financial crime controls and to consider remediation activity in the event of any breakdown or significant weakness in those controls or a fraud or attempted fraud against a company within the IHP Group that provides the Transact platform or against a client of the Transact platform.

### 4.6.4 CASS Oversight forum

The CASS Oversight Forum is established to assist with CASS operational oversight for IFAL.

### 4.6.5 Order Execution Oversight forum

The Order Executive Oversight Forum is established as a specialist forum to review client order handling arrangements, execution performance and the adequacy of associated control arrangements.

## 5 Own funds

### 5.1 Composition of Regulatory Own Funds

The IFAL Board has considered the quality of the Company's financial resources, and considers that all of IFAL's current capital is Common Equity Tier 1 Capital. The Company does not have any Additional Tier 1 Capital or Tier 2 Capital as at 30 September 2022.

IFAL's capital structure is set out in the table below (taken from IFAL's financial statements – company balance sheet).

**Table OF1: Composition of regulatory own funds**

Ref	Item	Amount (£000's)	Source based on reference numbers/letters of the balance sheet in the audited financial statements
<b>1</b>	<b>OWN FUNDS</b>	<b>39,712</b>	
<b>2</b>	<b>TIER 1 CAPITAL</b>	<b>39,712</b>	
<b>3</b>	<b>COMMON EQUITY TIER 1 CAPITAL</b>	<b>39,712</b>	
<b>4</b>	Fully paid up capital instruments	57	Note 15
<b>5</b>	Share premium	5,722	Note 16
<b>6</b>	Retained earnings	33,868	Statement of changes in equity
<b>7</b>	Accumulated other comprehensive income	-	
<b>8</b>	Other reserves	65	Notes 17 and 21
<b>9</b>	Adjustments to CET 1 due to prudential filters	-	
<b>10</b>	Other funds	-	
<b>11</b>	<b>(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1</b>	<b>0</b>	
<b>19</b>	CET1: Other capital elements, deductions and adjustments	-	
<b>20</b>	<b>ADDITIONAL TIER 1 CAPITAL</b>	<b>0</b>	
<b>21</b>	Fully paid up, directly issued capital instruments	-	
<b>22</b>	Share premium	-	
<b>23</b>	<b>(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1</b>	<b>-</b>	
<b>24</b>	Additional Tier 1: Other capital elements, deductions and adjustments	-	
<b>25</b>	<b>TIER 2 CAPITAL</b>	<b>0</b>	
<b>26</b>	Fully paid up, directly issued capital instruments	-	
<b>27</b>	Share premium	-	
<b>28</b>	<b>(-) TOTAL DEDUCTIONS FROM TIER 2</b>	<b>-</b>	
<b>29</b>	Tier 2: Other capital elements, deductions and adjustments	-	

**Called up equity share capital:** IFAL's share capital comprises allotted, called up and fully paid shares. Further details are set out in section 5.3.

**Share premium account:** The portion of shareholders' funds formed from the premium paid for new shares above their nominal value.

**Retained reserves:** Retained reserves are those which have been independently audited.

**Other reserves:** Other reserves comprise share-based payment reserve and capital redemption reserve. There are certain restrictions on the use of the capital redemption reserve of the share-based payment reserve under UK company law, but this is not a material amount of the capital.

The firm has no additional Tier 1 capital and there are no restrictions or prudential filters on the capital. The firm has no Tier 2 capital.

## 5.2 Reconciliation of Regulatory Own Funds to Balance Sheet in the Audited Financial Statements

The table below provides a reconciliation of the firm's own funds broken down between the asset and liability classes respectively, as reflected in the IFAL 30 September 2022 audited annual financial statements.

**Table OF2: Reconciliation of regulatory own funds to balance sheet in the audited financial statements**

Amount (GB thousands)		Balance sheet as in audited financial statements as at 30/9/2022	Under regulatory scope of consolidation as at 30/9/2022	Cross-reference to table OF1
<b>Assets</b>				
<b>1</b>	Investments	127	n/a	
<b>2</b>	Prepayments and accrued income	6,714	n/a	
<b>3</b>	Trade and other receivables	1,724	n/a	
<b>4</b>	Current tax asset	1,036	n/a	
<b>5</b>	Cash and cash equivalent	36,152	n/a	
<b>6</b>	<b>Total Assets</b>	<b>45,753</b>	<b>n/a</b>	
<b>Liabilities</b>				
<b>7</b>	Trade and other payables	6,041	n/a	
<b>8</b>	<b>Total Liabilities</b>	<b>6,041</b>	<b>n/a</b>	
<b>9</b>	<b>Net Assets</b>	<b>39,712</b>	n/a	Ref 1
<b>Shareholder equity</b>				
<b>10</b>	Called up equity share capital	57	n/a	Ref 4
<b>11</b>	Share premium account	5,722	n/a	Ref 5
<b>12</b>	Capital redemption reserve	2	n/a	Ref 8
<b>13</b>	Share-based payment reserve	63	n/a	Ref 8
<b>14</b>	Profit and loss account	33,868	n/a	Ref 6
<b>15</b>	<b>Total Shareholder equity</b>	<b>39,712</b>	<b>n/a</b>	Ref 1

### 5.3 Main features of Own Instruments Issued by the Firm

<b>1</b>	<b>Issuer</b>	<b>Integrated Financial Arrangements Ltd</b>
<b>2</b>	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
<b>3</b>	Governing law(s) of the instrument	English Law

#### Regulatory Treatment

<b>4</b>	Regulatory classification (MIFIDPRU 8.4)	Common Equity Tier 1
<b>5</b>	Eligible at solo/(sub )consolidated/ solo & (sub-)consolidated	Solo
<b>6</b>	Instrument type (types to be specified by each jurisdiction)	Ordinary shares
<b>7</b>	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	GBP 0.057m
<b>8</b>	Nominal amount of instrument	GBP 0.05
<b>9</b>	Issue price	The original authorised share capital at 5 March 1999 was £50,000 divided into 50,000 shares of £1 each. On 5 March 1999 49,998 ordinary shares of £1 each were issued and paid up in full. Since then there have been a number of capital restructurings and shares have been issued at different prices over time, with all shares paid up in full.
<b>10</b>	Redemption price/rights	N/A
<b>11</b>	Accounting classification	Shareholders' Equity
<b>12</b>	Original date of issuance	5 March 1999
<b>13</b>	Perpetual or dated	Perpetual
<b>14</b>	Original maturity date	No maturity
<b>15</b>	Issuer call subject to prior supervisory approval	No
<b>16</b>	Optional call date, contingent call dates and redemption amount	N/A
<b>17</b>	Subsequent call dates, if applicable	N/A

## Coupons and Dividends

<b>18</b>	Fixed or floating dividend/coupon	Floating
<b>19</b>	Coupon rate and any related index	N/A
<b>20</b>	Existence of a dividend stopper	No
<b>21</b>	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary
<b>22</b>	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary
<b>23</b>	Existence of step up or other incentive to redeem	No
<b>24</b>	Non-cumulative or cumulative	Non-cumulative
<b>25</b>	Convertible or non-convertible	Non-convertible
<b>26</b>	If convertible, conversion trigger(s)	N/A
<b>27</b>	If convertible, fully or partially	N/A
<b>28</b>	If convertible, conversion rate	N/A
<b>29</b>	If convertible, mandatory or optional conversion	N/A
<b>30</b>	If convertible, specify instrument type convertible into	N/A
<b>31</b>	If convertible, specify issuer of instrument it converts into	N/A
<b>32</b>	Write-down features	No
<b>33</b>	If write-down, write-down trigger(s)	N/A
<b>34</b>	If write-down, full or partial	N/A
<b>35</b>	If write-down, permanent or temporary	N/A
<b>36</b>	If temporary write-down, description of write-up mechanism	N/A
<b>37</b>	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A
<b>38</b>	Non-compliant transitioned features	No
<b>39</b>	If yes, specify non-compliant features	N/A

## 6 Own Funds requirement

### 6.1 Overview

The level of regulatory capital that IFAL must hold is referred to as the own funds threshold requirement (OFTR). IFAL's OFTR was determined by the higher of the three elements:

- Permanent minimum capital requirement (PMR): £0.150m
- Fixed overheads requirement (FOR): £7.848m
- Total K-factor requirement (KFR): £32.243m.

In addition, IFAL conducts its own assessment and scenario testing in order to identify additional risks and potential harms that may arise through its ongoing activities. This led IFAL to conclude a higher own funds threshold requirement of £32.589m.

(£m)	IFAL at 30 Sept 2022
<b>Total Own Funds</b>	39.712
<b>Own funds threshold requirement (OFTR)</b>	32.589
<b>Excess held</b>	<b>7.122</b>

#### 6.1.1 Fixed Overheads Requirement

The fixed overhead requirement (FOR) calculation is an amount equal to one quarter of IFAL's relevant expenditure during the preceding year, as set out in MIFIDPRU 4.5. The Fixed overheads requirement is £7.848m.

#### 6.1.2 K-factor requirement

IFAL's K-factor assessment is the sum of the following K-factors that are applicable to IFAL:

- K-ASA client assets safeguarded and administered: 0.04% of daily average client money holdings over the previous nine months (excluding the most recent three months).
- K-COH client orders handled: 0.10% of average daily trades over the previous six months (excluding the most recent three months).
- K-CMH client money held: 0.40% of daily average client money holdings over the previous nine months (excluding the most recent three months).

(£m)	IFAL at 30 Sept 2022
K-CMH	12.480
K-ASA	19.614
<b>K-CMH + K-ASA</b>	<b>32.094</b>
K-COH	0.149
<b>K-factor assessment</b>	<b>32.243</b>

## 7. Remuneration Code

### 7.1 Remuneration policy

As stated in section 2.5, IFAL has made disclosures in accordance with MIFIDPRU TP 12.8R regarding its remuneration code. The following disclosures are based on the remuneration code as set out in the UK CRR and are disclosed on a PCG basis (as defined in section 1.1.1).

The IHP Group's Remuneration Committee ("RemCo") is established as a committee of the Board of Directors of IHP and its membership comprises three NEDs who are on the Boards of both IHP and IFAL. The mandate of the RemCo is to review the appropriateness and relevance of the remuneration policy for employees of IHP and its subsidiaries, as further specified in its Terms of Reference. RemCo's mandate is to ensure IHP Group's compliance with the Remuneration Code contained within Chapter 19A of the FCA's Senior Management Arrangements, Systems and Controls ("SYSC") sourcebook.

It does so with a view to aligning remuneration with the successful achievement of the IHP Group's long-term objectives, while taking into account market rates and value for money. It also reviews the appropriateness and effectiveness of the remuneration policy with particular regard to best practice, regulatory and risk management considerations. The RemCo ensures that its decisions take into account the long-term interests of the IHP Group's shareholders, investors and other stakeholders.

The RemCo has responsibility for setting the total remuneration for the IHP executive directors and senior management (being the directors of IFAL, ILInt and IAD, the Group Counsel and the Company Secretary) including bonuses, pension rights, incentive payments, share options or other share awards and any compensation payments. The RemCo also ensures that the structure of the remuneration for certain other members of staff whose actions have a material impact on the risk profile of the IHP Group is unlikely to lead to conflicts of interest that might encourage inappropriate risk-taking.

The RemCo meets at least twice annually. In the financial year ending 30 September 2022, the RemCo met seven times.

### 7.2 Link between pay and performance

In addition to paying a fixed annual salary, the IHP Group operates an annual discretionary cash bonus scheme and for some staff, a deferred bonus into shares. The purpose of the cash bonus scheme and the share bonus scheme is to recognise past performance and to encourage loyalty. Individuals' performance is assessed against objectives agreed at the beginning of the financial year and assessed as part of the performance development review framework, including adherence to Staff Handbook rules and effective risk management practice and compliance with FCA rules, as relevant to individual roles.

### 7.3 Total remuneration

The number of staff (including executive directors) employed by the PCG (as set out in section 1.1.1) at the end of the year amounted to 595. All staff are employed by ISL, ILInt, IAD or Time 4 Advice ("T4A").

The total remuneration, including bonuses and overtime, for staff employed by companies that form the PCG in the financial year ending 30 September 2022 was £45.997m.

A total of 12 individuals were IFPRU Remuneration Code Staff ("Code Staff") at 30 September 2022. Code Staff are IFAL employees whose professional activities could have a material impact on its risk profile.



The total remuneration awarded\*, including bonuses and shares, of the Code Staff was split as follows:

<b>(£'000)</b>	<b>Executive Directors and other code staff</b>	<b>Non-Executive Directors</b>
Fixed remuneration – not deferred	1,370	127
Variable remuneration (cash) – deferred	338	-
Variable remuneration (shares) – not deferred/vested	13	-
Variable remuneration (shares) - deferred/unvested	421	-
Sub-total	2,141	127
<b>Total remuneration</b>	<b>2,268</b>	

\*Amounts charged relating to investment firm activity.

No individual is remunerated in excess of €1.000m. The variable element of remuneration is intended to reward performance and encourage loyalty and is therefore adjusted for individual employees in accordance with performance. The criteria for performance are documented annually. No payments are made in advance.

Additionally, code staff are eligible to receive employee discount on platform charges in line with all employees.

The full Director's Remuneration Report is set out on page 110 of the IHP Annual Report and Accounts.

## Appendix 1 IHP subsidiaries

Group Company	Company description
<b>IntegraFin Holding plc ("IHP")</b>	Group holding company.
<b>Integrated Financial Arrangements Ltd ("IFAL")</b>	IFAL is authorised and regulated as a non-SNI MIFIDPRU investment firm by the FCA.
<b>IntegraLife UK Limited ("ILUK")</b>	ILUK's principal activity is the transaction of ordinary long-term insurance business within the United Kingdom through the Transact Personal Pension, Executive Pension, Section 32 Buy Out Pension Bond, Onshore Bond and Qualifying Savings Plan. ILUK is authorised and regulated by the Prudential Regulation Authority ("PRA"), and regulated by the FCA.
<b>IntegraLife International Limited ("ILInt")</b>	ILInt's principal activity is the transaction of ordinary long-term insurance business through the Transact Offshore Bond. ILInt is incorporated in the Isle of Man, and is authorised and regulated by the Isle of Man Financial Services Authority ("IOMFSA").
<b>IntegraFin Services Limited ("ISL")</b>	Provision of administration and management services to the IHP Group, providing financial, accounting and other services, including management of the London office.
<b>Integrated Application Development Pty Ltd ("IAD")</b>	Maintenance and support of platform related software, including Transact Online.
<b>IntegraFin (Australia) Pty Ltd ("IAP" or "IntegraFin Australia")</b>	Wholly owned subsidiary of IAD and is trustee to the IAD employee benefit trust.
<b>IntegraFin Limited ("IFL")</b>	Non-trading company holding unallocated shares in IHP for the benefit of the beneficiaries of the now closed staff incentive plan.
<b>Objective Asset Management Limited ("OAM")</b>	Dormant company.
<b>Objective Funds Ltd ("OFL")</b>	Dormant company.
<b>Object Wealth Management Limited ("OWM")</b>	Dormant company.
<b>ObjectMastery (UK) Limited ("OMUK")</b>	Dormant company.
<b>Transact IP Ltd ("TIP")</b>	Licences its proprietary software to other members of the IHP Group.
<b>Transact Nominees Limited ("TNL")</b>	Nominee company holding customer assets on behalf of IFAL.
<b>Transact Trustees Limited ("TTL")</b>	TTL is trustee of the SIPP, Personal Pension and the Executive Personal Pension schemes. TTL also holds all Term Deposits on trust for Transact clients for all wrapper types.
<b>Time 4 Advice Limited ("T4A")</b>	Specialist software provider for financial planning and wealth management firms acquired by IHP in January 2021.



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