DELFF
ASSET MANAGEMENT

REMUNERATION POLICY AND PRACTICES
MIFIDPRU Disclosures

1. Background

This disclosure is made in accordance with the UK Financial Conduct Authority (FCA) Prudential sourcebook for MiFID Investment Firms (MIFIDPRU). The rules in MIFIDPRU provide that as a Small Non-Interconnected firm (SNI) we must make certain disclosures.

The MIFIDPRU disclosures thar have to be considered and addressed as appropriate are as follows: -

1. Risk management objectives and policies (MIFIDPRU 8.2)
2. Governance arrangements (MIFIDPRU 8.3)
3. Own funds (MIFIDPRU 8.4)
4. Own funds requirements (MIFIDPRU 8.5)
5. Remuneration policies and practices (MIFIDPRU 8.6)
6. Investment policy (MIFIDPRU 8.7)

The majority of disclosure requirements only apply to non-SNI MIFIDPRU investment firms, of which the firm is not. However, MIFIDPRU 8.6 (Remuneration policies and practices) applies to all MIFIDPRU Investment firms, and MIFIDPRU 8.2 (Risk management objectives and policies), applies to SNI firms that has additional tier 1 instruments in issue.

2. Applicability

As a SNI firm which does not have additional tier 1 instruments in issue, only MIFIDPRU 8.6 applies to the firm (Remuneration policies and practices).

3. Frequency

The Firm makes the disclosure annually in line with the publication of the audited report and accounts as at the 31st of December each year. It will be updated more frequently if there are significant changes to the business model. The disclosures will be published as soon as is practical following the finalisation of the firm's annual Report & Accounts.

4. Verification

The information contained in this disclosure has not been audited by our firm's external auditors and does not constitute any form of financial statement. Unless stated as otherwise, all figures contained in this disclosure are based on the firm's audited annual reports for the year ending 31st December 2023.

5. Remuneration Policies and Practices (MIFIDPRU 8.6)

As an SNI MIFIDPRU Investment Firm, DML is subject to the basic requirements of the MIFIDPRU Remuneration Code (as laid down in Chapter 19G of the Senior management arrangements, Systems and Controls sourcebook in the FCA Handbook ("SYSC")). The purpose of the remuneration requirements is to:

- Promote effective risk management in the long-term interests of the Firm and its clients;
- Discourage risk taking inconsistent with the risk profile of the funds under management;
- Support positive behaviours and healthy firm cultures; and
- Discourage behaviours that can lead to misconduct and poor client outcomes.

The objective of DML's remuneration policies and practices is to establish, implement and maintain a culture that is consistent with, and promotes, sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile of the Firm and the services that it provides to its clients.

In addition, DML recognises that remuneration is a key component in how the Firm attracts, motivates, and retains quality staff and sustains consistently high levels of performance, productivity, and results. As such, the Firm's remuneration philosophy is also grounded in the belief that its people are the most important asset and provide its greatest competitive advantage.

DML is committed to excellence, teamwork, ethical behaviour, and the pursuit of exceptional outcomes for its clients. From a remuneration perspective, this means that performance is determined through the assessment of various factors that relate to these values, and by making considered and informed decisions that reward effort, attitude, and results.

DML has complied with MIFIDPRU 8 in a manner which is appropriate to its size, internal organisation and to the nature, scope and complexity of activities undertaken. To note the applicable remuneration codes to the Firm do permit a proportionate application of the rules and accordingly the Firm has opted to not disclose all details due to confidentiality matters.

6. Characteristics of the Firm's Remuneration Policy and Practices

Remuneration at DML is made up of fixed and variable components. The fixed component is set in line with market competitiveness at a level to attract and retain skilled staff, which typically include fixed salary or drawings, medical cover, leave and various other allowances where applicable.

Variable remuneration has just one component:

• Bonuses

Bonus is paid on a discretionary basis and takes into consideration the Firm's financial performance and the financial and non-financial performance of the individual in contributing to the Firm's success.
All staff are subject to annual performance review before a bonus is awarded. The review covers a variety of areas, as applicable to each individual's roles and responsibilities, including but not limited to the individual's contribution to the firm's success, their personal and team development, their performance under pressure and their alignment with Economic and Social Governance.

The fixed and variable components of remuneration are appropriately balanced: the fixed component represents a sufficiently high proportion of the total remuneration to enable the operation of a fully flexible policy on variable remuneration. This allows for the possibility of paying no variable remuneration component, which the Firm would do in certain situations, such as where the Firm's profitability performance is constrained, where there is a risk that the Firm may not be able to meet its capital or liquidity regulatory requirements, or where the performance of individuals does not merit it.

7. Governance and Oversight

The Board of Directors is responsible for setting and overseeing the implementation of DML's remuneration policy and practices. In order to fulfil its responsibilities, the Board:

- Is appropriately staffed to enable it to exercise competent and independent judgment on remuneration policies and practices and the incentives created for managing risk, capital, and liquidity.
- Prepares decisions regarding remuneration, including decisions that have implications for the risk and risk management of the Firm.
- Ensures that the Firm's remuneration policy and practices take into account the public interest and the long-term interests of investors, and other stakeholders in the Firm.
- Ensures that the overall remuneration policy is consistent with the business strategy, objectives, values, and interests of the Firm and of its clients.

DML's remuneration policy and practices are reviewed annually by the Board of Directors.

8. Quantitative Remuneration Disclosure

For the financial year 1 January 2023 to 31 December 2023, the total amount of remuneration awarded to all staff was £693571, and £45,000 to Directors. No bonuses were paid in this financial year. The ratio between fixed and variable component is therefore not applicable. (For these purposes, 'staff' is defined broadly, and includes, for example, employees of the Firm itself, and Directors of the firm.

The information contained in this disclosure is proportionate to the Firm's size, nature, and complexity of the Firm's activities in line with the MIFIDPRU guidance rules.