



**Prudential Sourcebook for MIFID Investment Firms
(MIFIDPRU) 8 Disclosure**

As at 30 September 2025

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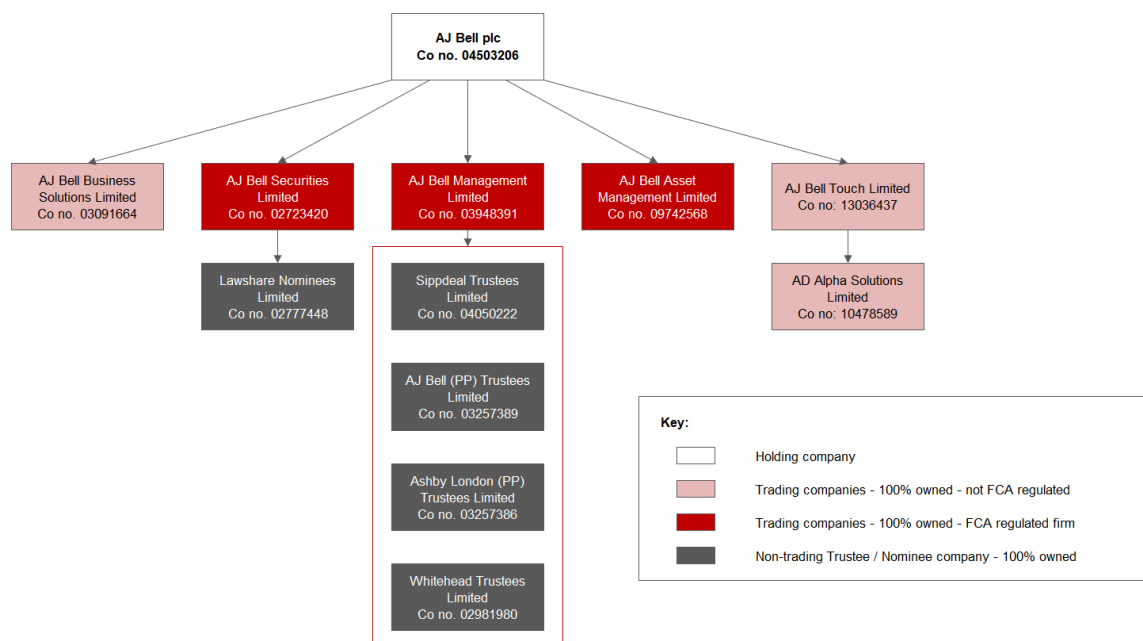
1. Overview

1.1 Introduction

This document sets out the public disclosures for the Prudential Consolidation Group of AJ Bell plc, as at 30 September 2025.

AJ Bell plc (AJB plc) is the parent company of a group regulated by the FCA. The Prudential Consolidation Group comprises the companies shown in the diagram below.

AJ Bell Prudential Consolidation Group structure chart



A list of the principal subsidiaries within the AJ Bell plc Group can be found in note 6 in the Company financial statements, in the 'AJ Bell plc Annual Report and Accounts 2025' at <https://www.ajbell.co.uk/group/investor-relations>.

The Group is supervised by the FCA on a consolidated basis, and within the Group there are three subsidiaries that are directly regulated by the FCA, as listed below.

Regulated entities	Description of activities
AJ Bell Securities Limited (AJBSL)	AJBSL provides stockbroking and asset custody services to customers and other entities within the Group. It does not trade on its own account and operates on an execution-only basis. It has permission to hold client money.
AJ Bell Management Limited (AJBML)	AJBML is authorised by the FCA to establish, operate and wind up personal pension schemes, and acts as the administrator to the Group's self-invested personal pension schemes (SIPPs). It may control but not hold client money.
AJ Bell Asset Management Limited (AJBAML)	AJBAML is an investment management company, authorised by the FCA to provide investment management services to eligible counterparties, professional and retail clients. It may control but not hold client money. It acts as investment manager to a number of FCA-regulated funds.

1.2 Basis of disclosure

The Group undertakes activities within the scope of the UK Markets in Financial Instruments Directive (MIFID) and is therefore subject to the prudential requirements of the Investment Firms Prudential Regime (IFPR) contained in the Prudential sourcebook for MIFID Investment Firms of the FCA Handbook (MIFIDPRU).

The Group operations are managed on a single business basis due to the interdependencies between the legal entities, and risks are managed across all entities/activities under a single Group risk management governance structure. As a result, the Group operates its ICARA process on a consolidated basis. Therefore, the Group is required to publish disclosures in accordance with the provisions outlined in MIFIDPRU 8 of the IFPR.

AJBSL and AJBAML are also subject to these requirements on a solo-entity basis as they meet the definition of MIFID investment firms. As a SIPP operator entity, AJBML is not subject to the requirements of MIFIDPRU, however it is subject to the FCA's capital framework for SIPP operators, the Personal Pension Scheme Operators (Capital Requirements) Instrument 2014. While the requirements of the IFPR are not applicable to AJBML on a solo basis, the requirements of the IFPR have been applied to AJBML as part of the consolidation group, as the entity is significant in delivering the Group's principal activities.

The qualitative disclosures provided for the Group in respect of risk management objectives and policies, governance arrangements, the approach to assessing adequacy of own funds, and remuneration policies and practices, are consistent for all legal entities in the Group.

AJBSL and AJBAML, and consequently the Group, meet the definition of non-small non-interconnected (non-SNI) MIFIDPRU investment firms, and therefore the disclosures provided are in accordance with the requirements for non-SNI investment firms.

1.3 Frequency of disclosure

The disclosure for the AJ Bell Prudential Consolidation Group is prepared and published annually, on a consolidated basis, alongside the Group's Annual Report and Accounts.

Relevant quantitative solo-entity disclosures for AJBSL and AJBAML will be published as an appendix to this document in line with the Statutory Accounts reporting and audit timeline of those entities.

All figures are as at the Group's financial year end, 30 September 2025.

1.4 Verification of disclosure

This document has been subject to review and approval in order to ensure compliance with the regulatory requirements contained within MIFIDPRU 8. The document is prepared by the Finance Team, with contribution from the Risk Team. The document is reviewed and challenged by the Executive Risk Committee (ERC), Risk and Compliance Committee (R&CC) and the Board of Directors prior to publication.

The disclosures are not required to be subject to independent external audit. The disclosures will only be subject to external verification to the extent that they are equivalent to those taken from the audited annual financial statements. They do not constitute financial statements and should not be relied upon in making judgements about the Group.

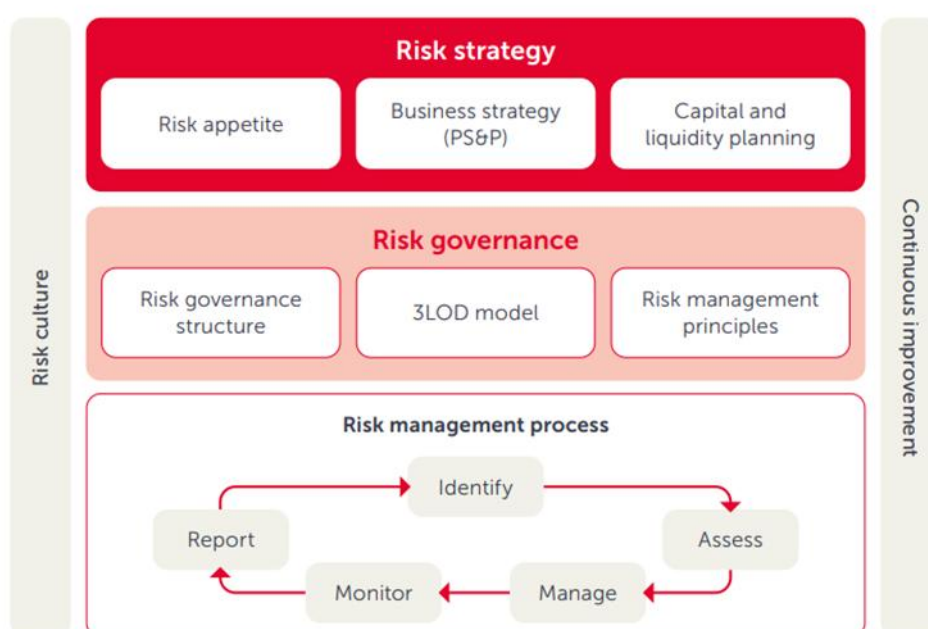
2. Risk management objectives and policies

2.1 Overview

The Group's risk management objectives and policies are outlined within the Strategic Report section of the 'AJ Bell plc Annual Report and Accounts 2025' at <https://www.ajbell.co.uk/group/investor-relations>. This includes the approach to identifying risks; the approach to setting and monitoring risk appetite; and details of the principal risks and uncertainties facing the Group.

2.1.1 Risk management framework

Effective risk management is inherent in everything we do as an organisation and enables informed decision-making to align with our purpose of helping people invest. Our framework enables us to take calculated risks to achieve strategic goals, providing a structured approach to identify, assess and manage risks across the Group, in accordance with our defined risk appetite. It can be summarised by the following diagram.



The sections below provide more detail on some of the component parts of the Group's risk management framework.

2.1.2 Risk strategy

The framework supports the integration of risk management into strategic planning, capital & liquidity planning, and day-to-day decision-making, seeking to operate within the boundaries established through our risk appetite framework. This ensures alignment between our strategic ambitions and our associated appetite towards taking risk, allowing us to make risk-informed decisions when creating enhancements to our internal control environment.

Through our ICARA process, we assess risks faced by the business including through scenario analysis and stress testing. This supports our determination of the level of capital and liquidity held by the Group to meet our Own Funds Threshold requirement. The ICARA process is subject to a robust governance process, ensuring effective challenge relating to the Group's assessment of potential harm scenarios.

2.1.3 Risk management principles

The Group promotes a set of risk principles which underpin the effective application of the risk management framework. These can be summarised as follows:

1. **Governance and ‘tone from the top’** - Clear accountability and ownership of risks, with independence of the second and third lines, consistent with the three lines of defence model. Engagement from senior management to ensure values and behaviours are communicated and embedded at all levels.
2. **Integrated risk management** - Risk management is an integral part of all organisational activities, embedded in strategic planning and day-to-day decision-making, including the prioritisation of resources. This supports a balanced and informed assessment between risk and reward, supporting the development of efficiency within our control environment.
3. **Risk Culture** - Risk-aware and risk-engaged culture is fostered throughout the organisation, with common acceptance of the importance of the continuous management of risk. There is transparent and timely flow of risk information, which enables open communication and learning.
4. **Data-driven** - Historical, current and forecast data is fundamental to informing our risk management activities on a forward-looking basis. We recognise limitations and uncertainties inherent in risk data, reporting information in a clear and timely manner.
5. **Risk Management Processes** - The proactive identification and assessment of risks should inform our response to risk and support prioritisation of how risks are managed.

2.1.4 Risk governance

The Board is the governing body of AJ Bell plc and maintains ultimate responsibility for risk governance throughout the Group. Each year the Board reviews and approves the Group’s risk taxonomy and the corresponding set of risk appetite statements, ensuring they remain aligned with the Group’s strategic objectives and the evolving risk landscape.

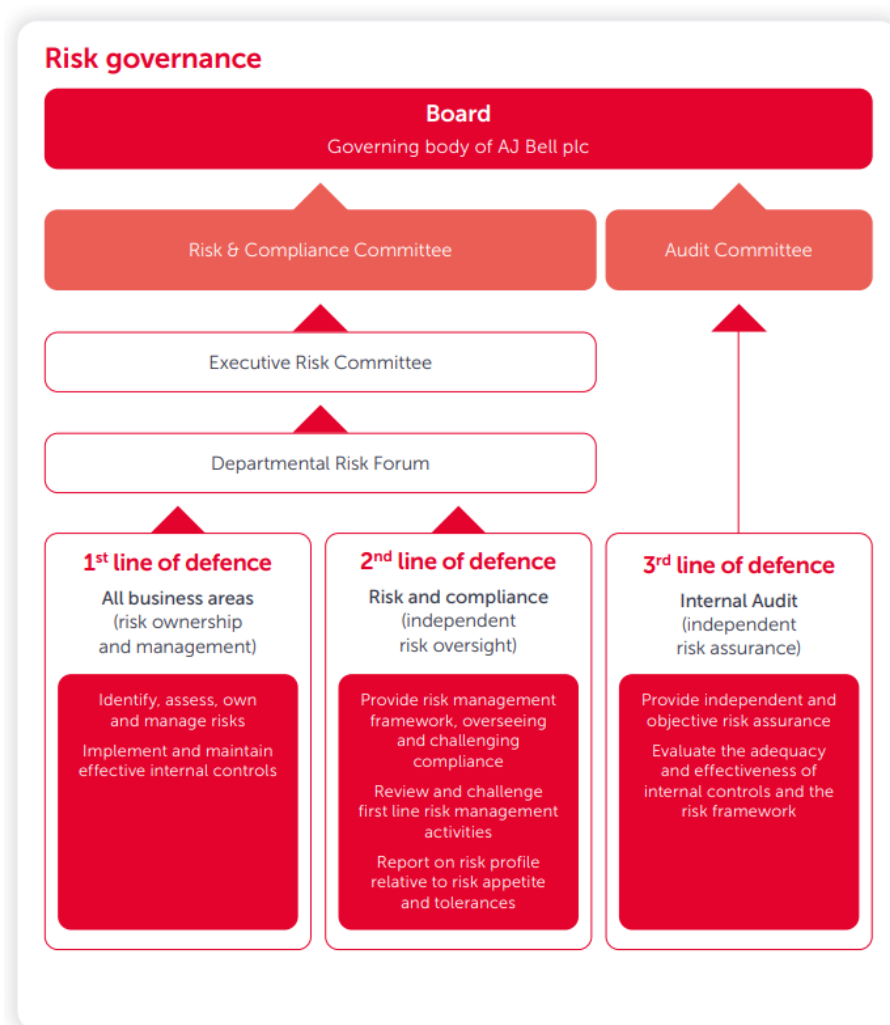
Under delegated authority, R&CC is responsible for providing focused support and advice on risk governance matters, overseeing the risk exposures of the Group. R&CC responsibilities also include approval of the risk management framework and oversight and challenge as to the day-to-day risk management oversight arrangements of ExCo.

ERC is a sub-committee of ExCo, the management group of AJ Bell plc. ERC is responsible for making decisions, overseeing and providing guidance in relation to risk-taking across the group. ERC provides assurance to ExCo and the Board that the Group continues to operate within its agreed risk appetite in pursuit of its strategic objectives.

Departmental Risk Forums provide individual business areas with focussed oversight of local risk management activities, ensuring the application of risk management practices is consistent with the Group’s risk management framework.

The Group’s CRO has unfettered access to all business areas, in addition to the Board, R&CC and the Chair of the Board. The Head of Internal Audit reports directly to the Chair of the Audit Committee allowing them to remain independent.

The risk governance structure is summarised in the diagram below.



2.1.5 Three lines of defence model

AJ Bell operates a three lines of defence model, which underpins our risk governance framework by assigning clear roles and accountabilities across the organisation. This model ensures that risk is effectively identified, managed, challenged and assured through a structured approach that supports the implementation of the framework. The Board and ExCo maintain oversight of the model's effectiveness with Internal Audit providing independent assurance to the Board via the Audit Committee.

2.1.6 Risk appetite

The Group's risk management framework is supported by a dedicated risk appetite framework. This risk appetite framework sets out the way in which we define and document the amount and types of risk that the Group is willing to accept in pursuit of its strategic objectives.

Our risk appetite is articulated through qualitative risk appetite statements for each category of risk the Group is exposed to. Risk appetite statements support business areas in their understanding and practical application of risk appetite, helping them to make risk-intelligent decisions.

These statements are reviewed on an annual basis, alongside quantitative key risk indicators and associated tolerances. Key risk indicators are monitored on a monthly basis, providing an indication whether the Group continues to operate within its defined risk appetite.

2.1.7 Risk taxonomy

The risk taxonomy organises our risk universe into different categories, or risk types, across two tiers. This includes four tier 1 categories, and eighteen tier 2 risk appetite categories, against which the risk framework methodology is applied. This includes the setting of Board-approved risk appetite statements as noted above, alongside a categorisation of whether we have an ‘Open’, ‘Balanced’, ‘Cautious’ or ‘Averse’ risk appetite.

Tier 1				
Strategic	Financial	Operational		Compliance and conduct
Tier 2				
<ul style="list-style-type: none">• Strategic positioning• Strategic execution• Investment	<ul style="list-style-type: none">• Capital• Credit• Liquidity	<ul style="list-style-type: none">• Change• Data• Financial control• Information security• Operational resilience	<ul style="list-style-type: none">• Process• Technology• Third-party management• People	<ul style="list-style-type: none">• Conduct• Financial crime• Regulatory and compliance

2.1.8 Risk management process

The Group adopts a hybrid top-down and a bottom-up approach to the identification of risks. ExCo and the Board have identified the principal risks and uncertainties (PR&U) that could impact the ability of the Group to meet its strategic objectives. In addition, the Group maintains a ‘bottom-up’ enterprise risk register, containing risks mapped to the Group’s Tier 2 risk appetite categories.

The Group’s bottom-up assessment of risk is managed through Risk & Control Self Assessments (RCSAs) which facilitate an assessment of the risks and controls in place at an operational and business process level. Through regular self-review of risks and associated controls, the RCSA process enables risk and control owners to identify risks relevant to their business areas and take appropriate actions to address any perceived control gaps or control deficiencies.

Risks are assessed using a standardised risk assessment matrix, with the Group’s risk taxonomy enabling consistent aggregation and reporting against defined risk appetite thresholds. This reporting provides visibility to senior management and the Board, supporting informed oversight and decision-making. Where risks are identified as outside of appetite, appropriate response strategies of mitigation, transfer, avoidance or acceptance are deployed, with escalation to the ERC and R&CC as required. Regular reporting to these committees ensures that risks across all business areas are actively monitored. The reports include updates on regulatory horizon scanning, emerging risks, material breaches and incidents, all of which inform ongoing risk appetite assessments.

2.1.9 Internal capital and risk assessment (ICARA)

The Group conducts an ICARA process to ensure that it has appropriate systems and controls in place to identify, monitor and, where proportionate, reduce all potential material harms that may result from the ongoing operation of its business. The Group reviews material harms across the entirety of the Group's risk appetite categories, considering the important business services identified as per the Group's operational resilience framework. The ICARA process is subject to a robust governance process to ensure effective challenge relating to the Group's assessment of potential harm scenarios.

2.1.10 Effectiveness of the risk management process

On an annual basis, the Audit Committee carries out a review of the effectiveness of the Group's risk management and internal control systems. This assessment includes, but is not limited to:

- The level of challenge of risk and control monitoring by the department risk forums, ERC and R&CC;
- KRIs and the impact on risk appetite;
- The outcome of 1st line risk and control self-assessments, 2nd line control effectiveness reviews, 3rd line internal audit reviews, and compliance monitoring reviews; and
- The level of breaches and operational losses.

2.2 Own funds requirements

As part of the ICARA process the Group carries out an assessment of its risks and potential harm to its clients, the market it operates in and the firm itself, that may arise as a result of the Group's activities. This includes consideration of each of the risk appetite categories, and each material potential harm has been quantified using severe but plausible stress and scenario tests.

The Group ensures that sufficient own funds are held at all times to cover the potential exposures from the crystallisation of these risks and severe scenarios. The amount of own funds held by the Group is reviewed and monitored by the Board on an ongoing basis.

The outcome of the ICARA is formally approved by the Board at least annually, with more frequent reviews if there is a fundamental change to the business, the operating environment or the risk profile of the business.

2.3 Concentration risk

The Group has exposure to certain counterparties. Concentration risk increases as a business becomes more reliant on a smaller number of counterparties. The concentration risks identified for the Group are described below.

2.3.1 Client and trustee money concentration

The Group places client and trustee money with a diverse range of third-party banks. A concentration exposure to banking counterparties could give rise to an increased level of risk. The Group minimises this risk by maintaining robust treasury policies, regular monitoring of banking counterparties, and managing the client and trustee money portfolio to ensure that the client exposure to individual banking institutions is within the Group's risk appetite, as set by the Treasury Committee. All client and trustee money is held in segregated bank accounts.

2.3.2 Corporate cash concentration

The Group places corporate cash with a range of third-party banks. A concentration exposure to banking counterparties could give rise to an increased level of risk. The Group minimises this risk by maintaining robust treasury policies, regular monitoring of banking counterparties, and managing the corporate cash portfolio to ensure that the exposure to individual banking institutions is within the Group's risk appetite, as set by the Treasury Committee.

2.4 Liquidity risk

Liquidity risk is the risk that the Group does not have sufficient financial resources available to meet its obligations as they fall due. The Group maintains adequate liquidity to cover its needs on a daily basis. Due to the nature of the Group's business model, its operating activities are highly cash generative on a monthly basis, meaning that cash generated covers operating expenses.

The level of available cash resources is determined on a regular basis by forecasting the month-end cash position to ensure that cash balances remain sufficient. As part of the ICARA process, the primary liquidity risks are quantified using severe but plausible stress and scenario tests. The Group ensures that sufficient liquid resources are held at all times to cover the potential exposures from the crystallisation of these risks and severe scenarios, which is held as instant access cash.

The Group has robust controls and governance in place in respect of liquidity, and the amount of liquid resources held by the Group is reviewed and monitored by the Board on an ongoing basis.

3. Governance arrangements

3.1 The Board of Directors

Responsible for leading the Group and promoting AJ Bell's long term sustainable success by setting strategy to generate stakeholder value. Accountable for monitoring culture and the effectiveness of a robust system of governance, internal controls and risk management.

The Board was made up of the following individuals as at 30 September 2025:

Senior Management Function (SMF) / Role	Board member	Number of other external directorships held
SMF 9 – Chair of Governing Body SMF 13 – Chair of Nomination Committee	Fiona Clutterbuck	2
SMF 1 – Chief Executive Officer SMF 3 – Executive Director	Michael Summersgill	-
SMF 2 – Chief Financial Officer SMF 24 – Chief Operations Officer SMF 3 – Executive Director	Peter Birch	-
SMF 14 – Senior Independent Director (Non-Executive Director)	Evelyn Bourke	3
SMF 10 – Chair of the Risk Committee (Non-Executive Director)	Fiona Fry	2
SMF 11 – Chair of the Audit Committee (Non-Executive Director)	Eamonn Flanagan	2
SMF 12 – Chair of the Remuneration Committee (Non-Executive Director)	Margaret Hassall	1
Non-Executive Director	Julie Chakraverty	3
Non-Independent Non-Executive Director	Les Platts	-

Notes:

1. With effect from 31 December 2024, Roger Stott stepped down from the Board having served as Chief Operations Officer and Executive Director. His Board responsibilities as Chief Operations Officer were assumed by Peter Birch.
2. Evelyn Bourke will be stepping down from the Board as a Non-Executive Director of the Company, with effect from 4 February 2026. Fiona Fry will take on the role of Senior Independent Director.

3.2 The Executive Committee (ExCo)

Under delegated authority from the Board, the CEO, supported by ExCo, is responsible for implementation of strategy as well as day-to-day operations. The CEO and ExCo exercise their respective delegated responsibilities within the confines of the risk and control framework set by the Board. The membership of ExCo comprises the CEO and CFO and the leaders of the business functions.

The ExCo was made up of the following members as at 30 September 2025:

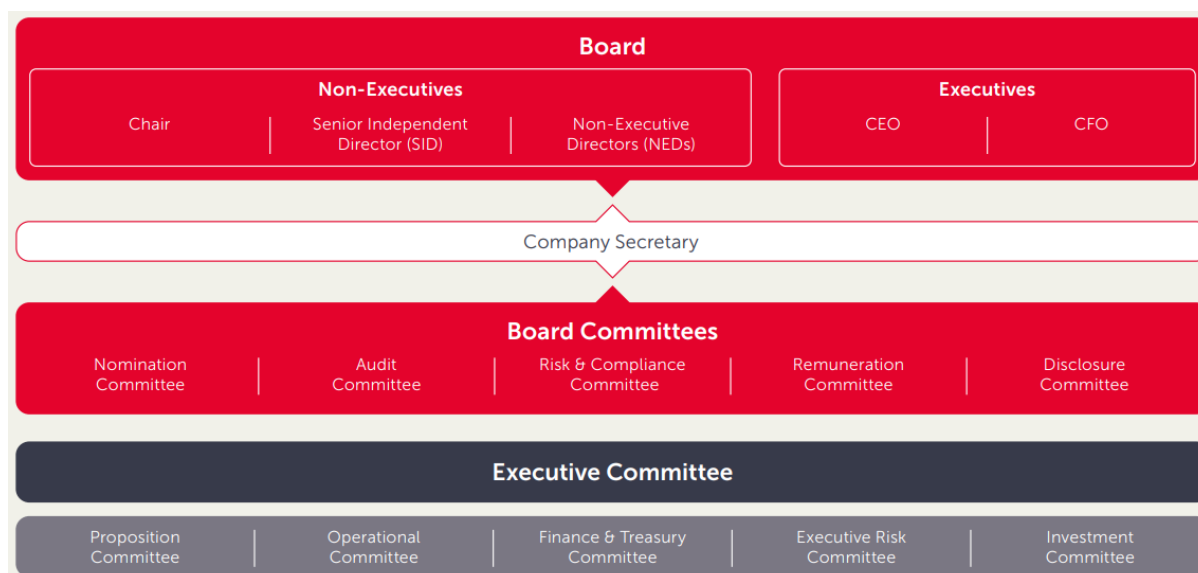
Senior Management Function (SMF) / Role	Member
SMF 1 – Chief Executive Officer SMF 3 – Executive Director	Michael Summersgill
SMF 2 – Chief Financial Officer SMF 24 – Chief Operations Officer SMF 3 – Executive Director	Peter Birch
SMF 4 – Chief Risk Officer SMF 3 – Executive Director SMF 16 – Compliance Oversight	Karen Goodman
SMF 24 – Chief Operations Officer SMF 3 – Executive Director (Chief Technology Officer)	Mo Tagari
SMF 3 – Executive Director (Managing Director – Advised)	Billy Mackay
SMF 3 – Executive Director (Managing Director – D2C)	Charlie Musson
SMF 3 – Executive Director (Managing Director – AJ Bell Investments)	Ryan Hughes
SMF 3 – Executive Director (Group Legal Director and Company Secretary)	Kina Sinclair
SMF 3 – Executive Director (HR Director)	Elizabeth Carrington
SMF 3 – Executive Director (Chief Marketing Officer)	Stephen Vowles

Notes:

1. Roger Stott stepped down as Chief Operations Officer on 31 December 2024. His executive responsibilities were assumed by Peter Birch and Mo Tagari.
2. With effect from 2 January 2025, Stephen Vowles was appointed to the Executive Committee as Chief Marketing Officer.
3. Ryan Hughes was appointed as Managing Director of AJ Bell Investments, a role he had held on an interim basis since late 2023, and a member of the Executive Committee on 10 October 2024.
4. Kina Sinclair was appointed as Company Secretary in addition to her Group Legal Director position, effective from 1 November 2024.

3.3 Board committees

The Board has five main committees: Nomination Committee; Remuneration Committee; Audit Committee; Risk & Compliance Committee; and Disclosure Committee. The overview of the Board composition and the Committee structures are illustrated below:



The table below summarises the committee membership of the Board of Directors at 30 September 2025:

Board member	Nomination	Remuneration	Audit	Risk & Compliance	Disclosure
Fiona Clutterbuck	✓			✓	
Michael Summersgill					✓
Peter Birch					✓
Evelyn Bourke	✓		✓		
Fiona Fry		✓	✓	✓	
Eamonn Flanagan	✓		✓	✓	✓
Margaret Hassall	✓	✓		✓	
Julie Chakraverty		✓	✓	✓	
Les Platts					

The oversight responsibilities of each committee are outlined in the table below.

Further details on the Board and its Committees can be found in the Board committees section of the 'AJ Bell plc Annual report and Accounts 2025'. The roles and responsibilities of each of the above Committees are set out in the formal terms of reference, copies of which can be viewed on the Group's website: ajbell.co.uk.

Committee	Responsibilities
Nomination Committee	<p>The role of the Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing and monitoring the:</p> <ul style="list-style-type: none"> • leadership and succession needs of the business, making recommendations to the Board in respect of appointments to the Board, it's Committees, ExCo, and ensuring the development of a diverse pipeline for succession. • structure, size and composition of the Board, it's Committees, and ExCo making recommendations to the Board about any changes that are necessary. • balance of skills, knowledge, experience and diversity on the Board, it's Committees, and ExCo. • performance of the Board by overseeing the annual evaluation process.
Remuneration Committee	<p>The role of the Remuneration Committee is to assist the Board in ensuring that the remuneration policy and practices are designed to support strategy and promote long-term sustainable success with a clear link to corporate and individual performance, having regard to statutory and regulatory requirements.</p>
Audit Committee	<p>The role of the Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing and monitoring the:</p> <ul style="list-style-type: none"> • integrity of the Group's financial and narrative statements and other financial information provided to shareholders. • Group's systems of internal controls, including financial reporting risk. • Group's internal and external audit processes and auditors; and <p>Groups processes for compliance with laws, regulations and ethical codes of practice, the UK Corporate Governance Code and the FRC Audit Committees and the External Audit: Minimum Standard.</p>
Risk & Compliance Committee	<p>The Risk & Compliance Committee supports the Board in fulfilling its oversight responsibilities by reviewing and monitoring the Group's risk appetite, risk management framework, internal and external reporting, and compliance with laws, regulations, and ethical codes of practice, including anti-money laundering and financial crime prevention systems and controls.</p> <p>The R&CC reviews and challenges reports from the Risk and Compliance function and recommendations from the ERC. The R&CC plays a vital role in supporting the Group's assessment of the nature and amount of risk it is willing to assume in pursuit of its strategic objectives and in alignment with its business model.</p>
Disclosure Committee	<p>The Disclosure Committee oversees compliance with the Listing Rules, Disclosure Guidance and Transparency Rules, UK Market Abuse Regulation and procedures regarding the disclosure of highly confidential and inside information.</p>

3.4 Executive sub-committees

The Executive Committee has five main sub-committees: Executive Risk Committee; Finance & Treasury Committee; Operational Committee; Proposition Committee and Investment Committee.

The oversight responsibilities of each sub-committee are outlined in the table below.

Sub-committee	Responsibilities
Executive Risk Committee	Oversees all assurance functions, including regulatory compliance and risk management (excluding external and internal audit).
Finance & Treasury Committee	Oversees financial and liquidity management, forecasting, market disclosures, financial controls and cash funds held on behalf of customers.
Operational Committee	Oversees operations and people, including service quality, resilience, efficiency, workplace engagement, talent management, employer brand and culture.
Proposition Committee	Oversees the management and distribution of D2C and Advised products.
Investment Committee	Oversees the management and distribution of investment products.

3.5 Legal entities governance arrangements

As outlined in section 1, the Group operations are managed on a single business basis due to the interdependencies between the legal entities, and risks are managed across all entities/activities under a single Group risk management governance structure.

The Board of Directors for the regulated entities, AJBSL, AJBML and AJBAML, consist of the members of the Group's ExCo. The Board of each of the regulated entities has delegated day-to-day management of the operations of each entity to the Group's ExCo, in line with the governance structure of the Group.

3.6 Approach to diversity

The Board believes it is important that both the Board and ExCo are diverse in multiple dimensions. The Nomination Committee leads the Board's diversity and inclusion agenda and sets measurable objectives for the Board and ExCo with the aim of continuously improving diversity of thought and in turn, the quality of debate and decision-making.

It is the Board's policy for all appointments to be made on merit, in the context of the skills, experience and knowledge which the business requires to be effective. Selection processes take into account the wider elements of diversity, with a view to ensuring the composition of the Board and other governance bodies is appropriately balanced to support the strategic direction of the Group.

For Board appointments, AJ Bell will only engage with executive search firms who have signed up to the Voluntary Code of Conduct around diversity. Search firms are required to put forward a diverse range (across multiple criteria) of credible, qualified candidates for both executive and non-executive roles. Specifically, where appropriate search firms are required to consider candidates for appointment as Non-Executive Directors from a broader pool, which may include those with little or no prior FTSE board experience.

The Board is committed to the recommendations of the Parker Review on having a minimum of one director from an ethnically diverse background and the FTSE Women Leaders target of a minimum of 40% female representation on the Board. The Group has met both targets.

The information below is provided in compliance with reporting requirements under the Listing Rules. The Company is required to disclose in its Annual Report, certain diversity metrics relating to the composition of its Board and executive management, as well as its performance against three diversity targets that have been set by the FCA. Information on gender/sex and ethnicity is collected from the Board and executive management at the recruitment stage.

Reporting on gender or sex as at 30 September 2025

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men	4	44%	2	7	70%
Women	5	56%	2	3	30%
Not specified / prefer not to say	–	–	–	–	–

Reporting on ethnic background as at 30 September 2025

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	8	89%	4	7	70%
Mixed Multiple Ethnic Groups	–	–	–	1	10%
Asia / Asian British	1	11%	–	1	10%
Black / African / Caribbean / Black British	–	–	–	1	10%
Other ethnic groups, incl. Arab	–	–	–	–	–
Not specified / prefer not to say	–	–	–	–	–

Note: data on 'prefer not to say' not included as would have an impact on anonymity

Performance against FCA diversity targets

Target	Outcome	Position as at 30 September 2025
At least 40% of members of the Board are women	Exceeded	Over 50% of members of the Board are women
At least one senior Board position (Chair, CEO, SID or CFO) is held by a woman	Exceeded	The positions of Chair and SID are held by women
At least one director from a minority ethnic background	Met	One Board director is from a minority ethnic background

At senior management level, a need to improve diversity will remain a key area of focus, in particular, in relation to natural succession changes, as and when they occur.

During the year, the Nomination Committee reviewed and updated our existing diversity policy in order to ensure that it still remained relevant to the changing needs of the business. The objective of the policy is to set out our commitment at Board level to improving diversity.

4. Own funds – capital resources

4.1 Composition of the Group's regulatory own funds

The Group's own funds (i.e. capital resources) comprise exclusively Common Equity Tier 1 (CET 1) capital, which is the most robust category of financial resources. CET 1 capital consists of fully issued ordinary shares, satisfying all criteria for a CET 1 instrument in accordance with IFPR. Throughout the financial year ending 30 September 2025, the Group was compliant with the relevant capital regulatory obligations as outlined in the IFPR.

Table OF 1 (Group) – Composition of the Group's Regulatory Own Funds as at 30 September 2025

No	Item	Amount (GBP thousands)	Source based on
			reference numbers of the balance sheet in the Group's audited financial statements
1	OWN FUNDS	97,707	
2	TIER 1 CAPITAL	97,707	
3	COMMON EQUITY TIER 1 CAPITAL	97,707	
4	Fully paid-up capital instruments	50	Note 23 – Share capital
5	Share premium	9,138	Statement of Changes in Equity
6	Retained earnings	205,848	Statement of Changes in Equity
7	Accumulated other comprehensive income	-	
8	Other reserves	(926)	Note 23 – Share capital
9	Adjustments to CET1 due to prudential filters	-	
10	Other funds	-	
11	(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	(116,403)	
12	Intangible assets	(7,994)	Note 14 – Other intangible assets
13	Goodwill	(5,454)	Note 13 – Goodwill
14	Deferred tax assets	(3,001)	Note 18 – Deferred tax asset
15	Foreseeable dividends	(39,348)	Note 11 – Dividends
16	Foreseeable share repurchases	(60,606)	
17	CET 1: Other capital elements, deductions, and adjustments	-	
18	ADDITIONAL TIER 1 CAPITAL	-	
19	Fully paid up, directly issued capital instruments	-	
20	Share premium	-	
21	(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	-	
22	Additional Tier 1: Other capital elements, deductions, and adjustments	-	
23	TIER 2 CAPITAL	-	
24	Fully paid up, directly issued capital instruments	-	
25	Share premium	-	
25	(-) TOTAL DEDUCTIONS FROM TIER 2	-	
26	Tier 2: Other capital elements, deductions, and adjustments	-	

For regulatory purposes, intangible fixed assets, goodwill and deferred tax assets do not qualify as capital for Common Equity Tier 1 and so are deducted.

The foreseeable dividend is based on the quantum of the final dividend relating to the financial statements for the year ended 30 September 2025, which is due to be paid on 13 February 2026. The foreseeable share repurchase is based on the proposed share buyback programme for FY26, which is worth up to £50m, and £10.6m still to be distributed under the FY25 share buyback programme.

4.2 Reconciliation of the Group's regulatory own funds to the balance sheet

The table below shows a reconciliation of the Group's own funds to the Group balance sheet as at 30 September 2025, where assets and liabilities have been identified by their respective classes. The information in the table below reflects the balance sheet in the audited Group financial statements.

The Prudential Consolidation Group comprises the entities shown in section 1.1. Therefore, the Group's regulatory own funds excludes AJ Bell Media Limited.

Table OF 2 (Group): Reconciliation of the Group's regulatory own funds to balance sheet in the audited financial statements

		a	b	c
		Balance sheet as in the Group's published/audited financial statements	Under regulatory scope of consolidation	Cross-reference to Table OF 1 (Group)
As at period end		30 September 2025 (GBP thousands)	30 September 2025 (GBP thousands)	
Assets – breakdown by asset classes according to the balance sheet in the audited financial statements				
1	Goodwill	6,991	5,454	Item no. 13
2	Other intangible assets	7,994	7,994	Item no. 12
3	Property, plant and equipment	3,722	3,722	
4	Right-of-use assets	10,557	10,557	
5	Deferred tax asset	5,450	5,447	Item no. 14
6	Trade and other receivables	68,450	69,919	
7	Current tax receivable	10,090	9,947	
8	Cash and cash equivalents	188,192	186,489	
9	Assets held for sale	1,634	-	
	Total Assets	303,080	299,529	
Liabilities – breakdown by asset classes according to the balance sheet in the audited financial statements				
1	Trade and other payables	64,521	64,312	
2	Lease liabilities – current	2,216	2,216	
3	Provisions – current	6,410	6,410	
4	Lease liabilities – non-current	9,842	9,842	
5	Provisions – non-current	2,639	2,639	
	Total Liabilities	85,628	85,419	
Shareholders' Equity				
1	Share capital	50	50	Item no. 4
2	Share premium	9,138	9,138	Item no. 5
3	Own shares	926	926	Item no. 8
4	Retained earnings	209,190	205,848	Item no. 6
	Total Shareholders' Equity	217,452	214,110	

4.3 Own funds: main features of own instruments issued by the Group

The table below provides information on the CET 1 instruments issued by the Group.

Issuer	AJ Bell plc
Public or private placement	Public
Instrument type	Ordinary share
Amount recognised in regulatory capital	£50,483
Issue price	0.0125p
Redemption price	N/A
Accounting classification	Share capital
Original date of issuance	5 August 2002
Perpetual or dated	Perpetual
Maturity date	N/A
Issuer call subject to supervisory approval	N/A
Optional call date, contingent call dates and redemption amount	N/A
Subsequent call dates	N/A
Coupon/dividends	Discretionary dividends
Fixed or floating dividend/coupon	N/A
Coupon rate and any related index	N/A
Existence of a dividend stopper	N/A
Convertible or non-convertible	N/A
Write-down features	N/A
Link to the terms and conditions of the instrument	N/A

5. Own funds requirements

5.1 K-factor requirement and fixed overheads requirement for the Group

The Group is required to disclose the K-factor requirement (KFR) and the fixed overhead requirement (FOR) amounts in relation to compliance with the own funds requirement set out in MIFIDPRU 4.3. The amounts are presented in the table below.

Item		Total amount in GBP (thousands)
KFR	\sum K-AUM, K-CMH and K-ASA	35,155
	\sum K-DTF and K-COH	322
	\sum K-NPR, K-CMG, K-TCO and K-CON	-
FOR		33,023

5.2 Approach to assessing adequacy of own funds

5.2.1 ICARA process

As part of the ICARA process, the Group assesses its own funds and liquidity requirements to ensure that sufficient own funds and liquid resources are held at all times to meet the Overall Financial Adequacy Rule, which states that a firm must ensure that it has sufficient resources to:

- remain viable throughout the economic cycle, with the ability to address any potential harms that may result from its ongoing activities; and
- wind down the business in an orderly manner, should that be necessary.

The ICARA is an ongoing process that brings together the risk management framework and the financial disciplines of business planning and financial resource management. It assists the ExCo and Board in managing and understanding the financial resource implications of the risks taken by the Group, and whether the Group is sufficiently resourced to withstand these risks, should they crystallise.

A range of severe but plausible stress and scenario tests have been considered and quantified in order to determine the capital and liquidity requirements of the Group, and to demonstrate that the Group could survive these events, in line with the Group's stated risk appetite. The capital and liquidity requirements of the Group are allocated between the individual regulated entities in line with the risk profile of each entity.

Capital and liquidity headroom is monitored monthly as part of the Board KPI review. A set of triggers has been established to provide early warning if the Group's financial resources fall close to its resource requirements, on a consolidated or individual entity basis, to enable appropriate remedial action to be taken.

The ICARA process is reviewed and challenged by ERC, R&CC and the Board at least annually.

5.2.2 Recovery planning

Recovery planning is undertaken to ensure that appropriate recovery actions have been identified that, if necessary, the Group would take to restore own funds and/or liquid resources to avoid breaching threshold requirements. Appropriate triggers have been identified that may indicate a credible risk that the Group will breach its threshold requirements and trigger the Board to consider implementing the recovery actions.

The recovery plan is reviewed and challenged by ERC, R&CC and the Board at least annually.

5.2.3 Wind down planning

Wind down planning has been performed in order to identify potential scenarios that could cause a need to wind down the business, and to determine the level of resources that the Group would require to wind down in an orderly manner. This quantitative assessment assumes that the decision is made to wind down the Group following a hypothetical period of stress for the business. Appropriate triggers have been identified which would lead to Board consideration of activating the wind down plan, which are continually monitored.

The wind down plan also provides an overarching governance framework for the process of ceasing operations whilst ensuring minimal adverse impact to customers, markets, or other stakeholders. It provides a detailed guide and practical steps to assist the Board and senior management in making timely and effective decisions to wind down the Group in the event of a severe financial stress, including key actions and a timeline from the decision to wind down through to the end point of the process.

The wind down plan is reviewed and challenged by ERC, R&CC and the Board at least annually.

6. Remuneration policies and practices

Further detail on the Group's remuneration policies and practices can be found within the Governance section of the 'AJ Bell plc Annual Report and Accounts 2025' at <https://www.ajbell.co.uk/group/investor-relations>

6.1 Role of the Remuneration Committee

The Remuneration Committee assists the Board in fulfilling its responsibility to shareholders to ensure that remuneration policy and practices support strategy and long-term sustainable success whilst rewarding fairly and ensuring that incentives and rewards align with culture.

The Remuneration Committee has delegated responsibility for determining the policy for executive remuneration and setting remuneration for the Chair of the Board, CEO, other Executive Directors, members of the senior management team, individuals who are classed as being material risk takers and certain Risk and Compliance members of the workforce. During the year no individual Director was involved in deciding their own remuneration.

Individuals holding the following roles are defined as Material Risk Takers (MRTs):

- Members of the Board and Executive Committee;
- Employees who are Senior Managers under SMCR; and
- Roles which are not Senior Managers, but whose professional activities can have a material impact on the firm's risk profile.

6.2 Advice to the Remuneration Committee

Deloitte is retained to provide independent and objective advice to the Committee as required. Deloitte is a member of the Remuneration Consultants Group and, as such, voluntarily operated under the Code of Conduct in relation to executive remuneration consulting in the UK. Deloitte has provided advice covering annual remuneration report and policy disclosures, market practice and corporate governance updates.

6.3 Remuneration policy principles

The Group's Remuneration Policy has been determined by the Company's Remuneration Committee. The Policy is aligned with our reward principles, set out below, which apply throughout the Group.

Key principles	Description
Alignment with our culture and growth strategy	<ul style="list-style-type: none">• Aligned with our purpose, principles and strategy, promoting our culture, and long-term sustainable value creation.• Executives and wider workforce to share the growth in value of the Company through equity participation.
Supporting talent attraction and retention	<ul style="list-style-type: none">• Market competitive base salaries and benefits which reflect the size and complexity of the business and the calibre and experience of individuals in each role.• Recognise and reward strong performance and individual contribution, with an appropriate proportion of package linked to financial and non-financial performance.
Simple and transparent	<ul style="list-style-type: none">• Approach to reward that is well understood.• A single incentive plan ("EIP") for Executive Directors and Executive Committee which is designed to promote long-term sustainable value creation.
Good governance and risk management	<ul style="list-style-type: none">• Following good corporate governance and regulatory requirements.• In line with the Company's risk appetite and risk management framework, including having taken into consideration environmental, social and governance risk factors.

6.4 The link between pay and performance

The Group's Remuneration Policy clearly aligns the interests of the Executive Directors, senior management and employees with those of shareholders and wider stakeholders, as well as our purpose, guiding principles and strategy.

An individual employee's remuneration package will consist of a combination of the following elements:

Remuneration type	Description	Fixed or variable
Base salary	Core element of fixed remuneration reflecting the individual's role and experience.	Fixed
Benefits	Other benefits such as private medical and life assurance cover.	Fixed
Retirement benefits	Employer contributions to employee pension schemes.	Fixed
All-employee share plans	Buy As You Earn (BAYE) scheme, which allows employees to buy shares in the Group in a way that is tax efficient.	Fixed
Executive Incentive Plan (EIP) / Senior Management Incentive Plan (SMIP)	<p>The EIP and SMIP are cash and share based schemes, which are dependent on the achievement of personal objectives and/or the Group's strategic goals and financial objectives.</p> <p>Other incentive arrangements are operated below executive level.</p>	Variable

The proportion of an employee's remuneration that is fixed and variable will be determined by reference to the role of the employee and the bonus scheme to which they belong. The rules of each bonus scheme set out how the employee's variable remuneration will be determined.

6.5 Performance metrics

Performance is measured against a balanced scorecard of financial and non-financial metrics to support the Company's strategy. This includes financial, growth, customer and people metrics.

The targets are set by reference to strategic objectives.

Deferred awards are subject to enhanced recovery provisions that are designed to protect shareholder value and which are aligned to appropriate long-term behaviours including consideration of the underlying performance of the Company as well as risk management, conduct and compliance.

6.6 EIP and SMIP

The Executive Committee and certain senior management are remunerated under the EIP scheme, which has been designed to comply with the UK Corporate Governance Code. Other senior management members participate in the SMIP.

The EIP and SMIP are performance-based plans that involve an annual cash award and deferred nominal cost options to participants conditional on the achievement of specified performance targets and continuous employment over a certain period of time. Individual awards are dependent on the assessment of performance against a range of financial and non-financial targets set at the beginning of the financial year.

6.7 Equity-based remuneration

The Group's remuneration policies and strategy include the potential for employees to participate in equity ownership through direct share holdings and share option schemes. This gives the Group the ability to link an element of an employee's overall remuneration to the longer-term performance of the individual employee, and intrinsically to the Group's longer-term performance against its strategic objectives.

6.8 Risk adjustment provisions policy (malus and clawback)

Risk adjustment is any downward adjustment (collective or individual) made to variable remuneration. This includes any variable remuneration plans that may operate from time to time. The Chief Risk Officer reviews current and future risks and assesses if there are any risk factors or events that should reduce aggregate and/or individual variable remuneration awards payable. This is submitted to the Remuneration Committee as part of the year end assessment process.

Malus and clawback provisions may be applied in the event of:

- participation in or responsibility for conduct resulting in significant loss to a Group company;
- failure to meet appropriate standards of fairness and propriety including fraud, material dishonesty or material wrongdoing;
- bringing the Company into material disrepute or acting in a way which is materially adverse to a Group company;
- breaches of the employment contract that give potentially fair reason for dismissal;
- discovery of an event, post-cessation of employment, that would have prevented the vesting or grant of an award had the Company been aware of the event;
- error in determining an award or assessing the performance condition;
- material misstatement in financial information that was taken into account when determining an award or assessing the performance condition;

- material failure of risk management;
- misbehaviour or material error on the part of the participant; and
- any Group company or a relevant business unit suffering a material downturn in its financial performance.

In the case of annual awards, malus and clawback provisions may be applied up to the fourth anniversary of the end of the performance period and in the case of deferred awards up to the end of the holding period. If the relevant award has vested or been exercised, the clawed back amount may be recovered from the recipient.

6.9 Policy on guaranteed variable remuneration and severance pay

The Remuneration Committee does not offer non-performance related incentive payments when recruiting Executive Directors.

For MRTs, any payments relating to the early termination of an employment contract reflects the individual's performance over time and does not reward failure or misconduct. Severance payments are to be made on an exceptional basis and are not a common form of remuneration upon departure.

6.10 Quantitative remuneration information

The table below provides information on the remuneration awarded to all staff during the year ending 30 September 2025. As at 30 September 2025, the Group classified 22 members of staff as material risk takers.

	Senior management	Other material risk takers	Other staff	Total
Fixed remuneration awarded	£4.0m	£1.2m	£69.9m	£75.0m
Variable remuneration awarded	£4.9m	£0.1m	£8.6m	£13.6
Total remuneration awarded	£8.9m	£1.3m	£78.5m	£88.7m

No guaranteed variable remuneration or severance payments were made to senior management or material risk takers during the year.