Nucleus Financial Services Limited
MiFIDPRU 8 Disclosure
2025

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1. Overview

1.1 Regulatory framework

The Investment Firms Prudential Regime ("IFPR") establishes the prudential framework governing the nature and amount of capital that UK MIFID firms are required to hold. The prudential requirements applicable to investment firms are set out in the FCA Prudential sourcebook for MiFID investment firms ("MiFIDPRU"). The regulatory regime is designed to ensure that firms adequately manage the potential harm they may pose to clients, markets and the wider financial system.

Nucleus Financial Services Limited ("NFS") is classified as a Non-Small and Non-Interconnected ("Non-SNI") MiFID Investment Firm and is therefore subject to the applicable requirements in MiFIDPRU. This document sets out the public disclosures for NFS as at 31 December 2025 in line with the requirements of MiFIDPRU Chapter 8 ("Disclosure Requirements").

1.2 NFS structure and composition

NFS is a company incorporated in England and Wales. The immediate parent undertaking is Nucleus Financial Limited ("NFL"), a company incorporated in England and Wales.

Nucleus Financial Platforms Limited ("NFPL"), a company incorporated and registered in England and Wales, is the parent company of the Investment Firm Group ("IFG") of which NFS is a part of.

Plutus Topco Limited ("Plutus Topco"), a company incorporated and registered in Jersey is the ultimate parent company in the Group.

NFS is regulated by the FCA, reference number 456117 and has its registered office at Suite B & C, First Floor Milford House, 43-55 Milford Street, Salisbury, United Kingdom, SP1 2BP.

1.3 Location and frequency of disclosure

The disclosure is made in accordance with MiFIDPRU 8 and published annually on the Nucleus website at the following address: https://nucleusfinancial.com/regulatory-information-disclosures.

2. Risk management objectives and policies

2.1 Risk Management Framework ("RMF")

The Group operates under a single RMF. The RMF exists to support management identify, assess, manage, report and escalate risks and exposures in a consistent way. Embedding a risk aware culture with risk management recognised as a management competence, is critical to the delivery of our business strategy and performance targets.

The objectives of the RMF include but are not limited to:

- Ensuring risks are consistently identified, measured, managed, monitored and the resultant risk profile appropriately reported.
- Ensuring our business strategy and business planning process are informed by our current and potential risk profile.
- Ensuring we manage our risk appetites, tolerances and limits across our risk universe and risk categories.
- Ensuring we meet all applicable regulatory principles and requirements on an ongoing basis and do so based on a strong and effective risk management culture and supporting structures.

The key components of the RMF are described in the sections which follow.

2.1.1 Role of the Board and Executive Team

The Group Board (Nucleus Financial Platforms Limited "NFPL Board"), and in turn the regulated subsidiary boards, are responsible for ensuring the maintenance of a sound system of internal control and risk management. The NFPL Board convenes on a quarterly basis, supplemented by interim board updates held throughout the year. Certain responsibilities for risk oversight are delegated to committees.

- The Executive Committee is responsible for the executive governance of the regulated entities of the Group, and items affecting all areas of the business are discussed.
- The Executive Risk and Compliance Committee's primary role is to ensure that appropriate processes are in place across the Group to identify, assess, monitor and control areas of risk.

There is a dedicated Board Risk Committee which focuses on the risk profile across the Group and the effectiveness of the RMF.

2.1.2 Risk strategy

The risk strategy is reviewed alongside the business strategy on an annual basis. The risk strategy sets the high-level boundaries for the business to operate within and provides a framework within which the risk appetite statements can be set.

2.1.3 Risk appetite

Risk management is embedded in strategic planning as well as day-to-day operations, and the amount of risk to be taken being set out in risk appetite statements. The framework sets out acceptable and tolerable limits within which the group will operate with the aim of achieving its strategic objectives. This is reviewed and approved by the Group Board on an annual basis.

Any fundamental shift in the strategic objectives requires consideration of the impact on risk appetite.

2. Risk management objectives and policies (continued)

2.1 RMF (continued)

2.1.4 Policy framework

The policy framework sets out how we create and maintain all our policies, how we communicate them across the business, and how we monitor that they are operating successfully.

2.1.5 Three lines of defence model

The Group operates a 'three lines of defence' model for the management of risk:

- **First line:** Business management and front-line staff manage risks. The first line teams have primary accountability for managing their own risks and understand where tolerances may be breached.
- **Second line:** The Risk Team oversees and challenges the management of risk. The second line provides oversight and guidance where necessary, and maintains the tools used by the first line in managing their risks. The Risk Team is led by the Chief Risk Officer ("CRO") who reports to the Chief Executive Officer ("CEO").
- **Third line:** Internal Audit provides independent assurance, challenge and advice in relation to the effective management of risks. The Group outsources the Internal Audit function.

2.1.6 Mandate of the Risk Team

The Risk Team promote the implementation and operation of the RMF. Additional second-line support is also provided by the Compliance and Financial Crime teams.

2.1.7 Identification, measurement and control

A structured framework has been established to support the identification and assessment of risk, with horizon/emerging risk scanning embedded within functional risk forums, Senior Leadership Team discussions and specialist forums. The CRO and Risk Team support the process of risk identification and assessment and provide objective review and challenge within these meetings.

Risks are assessed on both an inherent basis and, after evaluating controls, a residual basis. Risk assessments take into account factors including previous risk experience, incident resolution and the results of investigations, legacy reviews and gap analysis. The assessment of controls also considers design and actual performance of the control. Residual risks are reviewed against risk appetite.

2.1.8 Monitoring, aggregation and reporting

Senior management determine their response to residual risks. Significant risks (as determined through a likelihood impact matrix) and all those outside of appetite are escalated through the risk governance structure and have mitigating actions identified, recorded and tracked.

2.1.9 Culture

The risk aware culture is based upon a suite of established principles. To ensure colleagues have the appropriate skills, knowledge and awareness they're required to complete mandatory training on an annual basis. Targeted training is used to promote awareness of specific aspects of risk management (e.g. risk event notification) where required.

2. Risk management objectives and policies (continued)

2.1 RMF (continued)

2.1.10 Resources and capabilities

The CRO and Executive Team (the executive leadership team is responsible for the day-to-day management of the business and implementing Nucleus' strategy), supported by senior managers across the business, ensure that departments have adequate capacity and understanding to embed the desired risk culture across the business.

2.2 RMF effectiveness

An element of the role of the third line of defence is to provide assurance on the effectiveness of the management of risks and the control environment. The second line of defence partner with the first line and promote the embedding of the RMF where weaknesses are identified.

2.3 Risk categories and risk management

The Board recognises that the business strategy and operations of NFS have the potential to cause material harm: harm to consumers; harm to market; and harm to firm.

Harms are a consequence of risk events, and they can relate to categories of risk covered in: MiFIDPRU 4 Own Funds requirements; MiFIDPRU 5 Concentration risk; and MiFIDPRU 6 Liquidity risk. The Internal Capital Adequacy and Risk Assessment ("ICARA") process ensures that sufficient capital and liquidity is retained by NFS to ensure financial resilience into the future and address the potential for material harm due to risks, including:

- **Strategic risks:**
  - Strategic and business model risks
  - Relationship with financial advisers
  - Strategic transformation
  - Competition

- **Financial risks:**
  - Solvency
  - Liquidity
  - Credit

- **Operational risk:**
  - Operational processes and controls
  - Operational resilience and technology
  - Reliance on key suppliers
  - People
  - Culture
  - Regulatory and legal

Section 2.1 sets out the key components of the RMF under which these risks are managed.

2.3 Risk categories and risk management (continued)

Concentration risks exist and need to be managed in the following areas of the business:

- Client transactional bank accounts: Cash is held with institutions approved by the Group Asset and Liability Committee ("GALCO") in line with the Group Customer Money Framework. Controls are in place to ensure a diverse portfolio across multiple banking partners, with maturity timeframes of deposits spread over a rolling 12-month period. To mitigate the risk of a temporary disruption to deposit access, the criteria for the type of accounts utilised has been set based on the results of robust forecast models, scenario-based testing and legacy trend analysis.
- Corporate cash: The risk is managed 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.
- Key adviser relationships: NFS could lose or impair relationships as a consequence of operational failures, poor system functionality, implementing a poor pricing model, or other external factors such as vertical integration, consolidation or closure of adviser firms. This risk is primarily mitigated by directly involving advisers in the propositional elements of the platform and closely monitoring administrational performance of business introduced via strategic adviser relationships.

Capital and liquidity risks are managed through oversight of key risk indicators, financial forecasting and the management of exposures to counterparties (as described above). Liquidity forecasting includes consideration of the corporate liquidity required to support any funding demands as a result of the management of clients' accounts.

3. Governance

3.1 Board of Directors

The Board of Directors ("the Board") consists of a Non-Executive Chairman, two further Non-Executive Directors ("NEDs"), the CEO, and Chief Financial Officer ("CFO"). The Board provides a balance of skills, experience and independent knowledge to enable the Board, as a whole, to discharge its duties and responsibilities. The Board meets as often as circumstances dictate, but as a minimum, meets on a quarterly basis. The Board also maintains a conflicts of interest register to facilitate the declaration and effective management of any disclosed director interests.

The Board, as the firm's management body, is accountable for establishing, overseeing, and periodically reviewing the firm's governance arrangements. These arrangements are designed to ensure the effective and prudent management of the firm, with clearly defined responsibilities, robust oversight structures, and appropriate risk management and control frameworks. The Board monitors the effectiveness of these arrangements on an ongoing basis to ensure they continue to promote the integrity of the market and protect the interests of clients.

The Board of NFPL ("the Group Board") has delegated responsibility for the day-to-day management of the Group (of which NFS is a part) to the CEO and, through them, to senior management. The Group Board has delegated additional responsibilities to the audit, risk, nomination and remuneration committees whose powers, obligations and responsibilities are set out within written Terms of Reference. The CEO and senior management have considerable experience in the financial services sector and are responsible for the operational management of the organisation. This specialist knowledge is supported by the general business skills of each of senior management, and by the broad-based skills and knowledge of each of the NEDs.

The Group Board sets the Group's strategic aims, risk appetite and specifies key management objectives that are to be achieved within an agreed budget. The regulated subsidiary boards (e.g. the Board) are responsible for executing these objectives across each subsidiary.

The Board at 31 December 2025 was made up of the following individuals:

Role	Board Member	External Directorships
Chairman and Non-Executive Director	Gordon Wilson	2
NED	Cathryn Riley	2
NED	Alastair Clarkson	3
CEO	Richard Rowney	2
CFO	Andrew Ring	0

3. Governance (continued)

3.2 Board committees

The Group Board has established four principal committees which the Group Board have delegated responsibility to and are supported by:

3.2.1 Risk Committee

NFS is not required to establish a risk committee under MiFIDPRU 7.3.1R, however, the Group Board has decided to delegate certain risk oversight matters to the Group Risk Committee. This committee is responsible for assisting the Group Board in fulfilling its oversight responsibilities and obligations in relation to the Group's RMF, including the Group risk appetite and policy frameworks. The committee also oversees compliance monitoring and financial crime activity. Under the delegation from the Group Board, the Group Risk Committee considers within that remit, risk matters pertaining to NFS.

3.2.2 Audit Committee

This committee is responsible for assisting the Group Board in fulfilling its oversight responsibilities and obligations in relation to the Group's external and internal audit and financial reporting arrangements. The committee also oversees the Group Client Assets Sourcebook ("CASS") management frameworks and functions. NFS Board has delegated to the committee, consideration of internal and external audit matters pertaining to NFS.

3.2.3 Nomination Committee

This committee is responsible for leading the Group Board appointment process, considering the requirements of the Group and making recommendations to the Group Board. This responsibility covers both Executive Directors and NEDs and other senior leadership positions.

3.2.4 Remuneration Committee

This committee is responsible for considering and recommending to the Group Board overall remuneration practices and policies for the Group that is aligned with its long-term strategic objectives, its risk appetite, values and long-term interests.

All Board committees meet as required during the year. All Board Committees meet not less than four times a year.

3.3 Executive Committee ("ExCo")

The ExCo are responsible for managing the Group (including NFS) in line with the Group's strategic aims and objectives and ensuring alignment with corporate policies and practices. It also aims to ensure that regulatory requirements are met, and that time is focused on business performance and improvement initiatives against the conduct framework and customer outcomes. The ExCo are also responsible for:

- Managing financial performance and budgets;
- Managing the risk framework and the adequacy of systems and controls;
- Providing oversight of regulatory related matters; and
- Providing oversight to all sub-committees to ensure there is appropriate escalation of issues in place.

The Executive Risk and Compliance Committee is a sub-committee of the ExCo, with a separate reporting line into the Group Risk Committee where escalations are required.

3. Governance (continued)

3.4 Diversity

The Group Board has adopted a Diversity Statement to set out its approach to diversity of its members. The Group Board recognises and embraces the benefits of having a diverse composition and sees promoting diversity at Group Board level as an essential element in its effectiveness and maintaining competitive advantage. The scope of this Diversity Statement includes NFS. A diverse Group Board will include and maximise differences in skill, industry experience, background, race, gender identity and other divergence among directors. These qualities and characteristics that distinguish one director from another will be considered in determining the optimum composition of the Group Board and, when possible, will be balanced appropriately. In terms of gender diversity, the Group Board consists of three female NEDs, five male NEDs, and two male Executive Directors.

4. Own Funds

4.1 Composition of Own Funds

Under the IFPR, Own Funds are made up of a firm's common equity tier 1 capital ("CET1"), additional Tier 1 capital and Tier 2 capital.

NFS's regulatory capital is made up solely of CET1. The value of NFS's Own Funds at 31 December 2025 was £75,554k and is comprised of issued share capital, other reserves and retained earnings, adjusted for intangible assets.

The table below summarises the composition of Own Funds at 31 December 2025 and the CET1, additional Tier 1, Tier 2 items, and the applicable filters and deductions applied in order to calculate the Own Funds of the firm:

	Item	Amount (£000s)	Balance sheet reference
1	**Own Funds**	**75,554**	
2	**Tier 1 Capital**	**75,554**	
3	**Common Equity Tier 1 Capital**	**75,554**	
4	Fully paid-up capital instruments	7,595	Page 16 financial statements – share capital
5	Share premium	-	
6	Retained earnings[1]	66,952	Page 16 financial statements – retained earnings
7	Accumulated other comprehensive income	-	
8	Other reserves	1,041	Page 16 financial statements – capital contribution
9	Adjustments to cet1 due to prudential filters	-	
10	Other funds	-	
11	**(-) Total Deductions from Common Equity Tier 1**	**(34)**	**Page 16 financial statements – intangible assets**
19	Cet1: other capital elements, deductions and adjustments	-	
20	**Additional Tier 1 Capital**	**-**	
21	Fully paid up, directly issued capital instruments	-	
22	Share premium	-	
23	**(-) Total Deductions from Additional Tier 1**	**-**	
24	Additional tier 1: other capital elements, deductions and adjustments	-	
25	**Tier 2 Capital**	**-**	
26	Fully paid up, directly issued capital instruments	-	
27	Share premium	-	
28	**(-) Total Deductions from Tier 2**	**-**	
29	Tier 2: other capital elements, deductions and adjustments	-	

[1] Retained earnings excludes £42k of unrealised gains on investments carried at fair value through the Statement of Comprehensive Income. These are excluded from Own Funds in accordance with MiFIDPRU 3.3A.2, as they are not available to NFS for unrestricted and immediate use to cover risks or losses.

4. Own Funds (continued)

4.2 Reconciliation of Own Funds to balance sheet in audited financial statements

The table below shows the reconciliation of Own Funds with the capital shown in the balance sheet in NFS's audited financial statements.

4.2.1 Own Funds: reconciliation of regulatory Own Funds to balance sheet in the audited financial statements

	Item	Balance sheet as in published/audited financial statements (£'000s)	Cross reference to Composition of Own Funds table
Assets – Breakdown by asset classes according to the balance sheet in the audited financial statements			
1	Intangible assets	34	
2	Property, plant and equipment	3	
3	Investments in subsidiaries	1	
4	Deferred tax asset	93	
5	Trade and other receivables	19,587	
6	Investments	178	
7	Cash and cash equivalents	66,568	
	Total Assets	**86,464**	
Liabilities – Breakdown by liability classes according to the balance sheet in the audited financial statements			
1	Trade and other payables	10,527	
2	Provisions	307	
	Total Liabilities	**10,834**	
Shareholders' Equity			
1	Called up share capital	7,595	Item 4
2	Capital Contribution	1,041	Item 8
3	Retained earnings	66,994	Item 6[1]
	Total Shareholders' equity	**75,630**	

4.2.2 Own Funds: main features of own instruments

NFS's Own Funds comprises issued share capital, capital contribution reserve and retained earnings, adjusted for intangible assets.

5. Own Funds regulatory requirements

5.1 Overview

NFS is required to hold capital resources to cover the higher of the Own Funds requirement and the Own Funds Threshold Requirement ("OFTR") in complying with then Overall Financial Adequacy Rules ("OFAR"). The OFAR states that a firm must, at all times, hold Own Funds and Liquid Assets which are adequate, both as to their amount and quality, to ensure that:

- 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
- The firm's business can be wound down in an orderly manner, minimising harm to consumers or to other market participants.

NFS ensures it continues to maintain compliance with the OFAR by regular monitoring of:

- The Own Funds held by NFS compared with the OFTR calculated according to MiFIDPRU; and
- The Liquid Assets held by NFS compared with the Liquid Assets Threshold Requirement ("LATR") calculated according to MiFIDPRU.

Capital and liquidity headroom is monitored monthly via internal KRI signoffs, confirming whether coverage levels remain above risk appetite, and is also reviewed by the GALCO. A set of triggers has been established to provide early warning if NFS's financial resources fall close to its resource requirements, on a consolidated (IFG Basis) or individual basis, to enable appropriate remedial action to be taken.

5.2 Own Funds requirement

The Own Funds requirement is determined by the higher of Permanent Minimum Requirement ("PMR"), Fixed Overheads Requirement ("FOR") and Total K-Factor Requirement ("KFR") as shown in the table below:

	£'000	£'000
PMR		**150**
FOR		**13,772**
K-ASA	3,374	
K-CMH	1,266	
	4,640	
K-COH	63	
KFR		**4,702**
Own Funds requirement		**13,772**

NFS's KFR is the sum of:

- K-ASA – based on assets safeguarded and administered;
- K-CMH – based on client money held; and
- K-COH – based on client orders handled.

5. Own Funds regulatory requirements (continued)

5.3 OFTR

As part of the ICARA process, NFS undertakes a harms assessment which provides a structured analysis of the potential harms that the activities of NFS may pose to its clients, markets and NFS itself. It underpins the determination of adequate financial resources by ensuring that capital and Liquid Assets are calibrated to mitigate these risks. The harms assessment exceeds the minimum Own Funds requirement (the higher of PMR, FOR, KFR) and is therefore the binding capital constraint for NFS OFTR.

6. Remuneration policies and practices

6.1 Remuneration Committee

The Remuneration Committee is a committee of the Group Board responsible for ensuring that the Group's overall reward philosophy for all employees is consistent with achievement of the Group's strategic objectives, aligned to the Group's purpose, values and risk appetite.

It oversees, challenges and approves the Group's remuneration approach ensuring it is in the best interests of the Group and relevant stakeholders (including customers and shareholders).

The principal purposes of the Remuneration Committee are:

- To ensure that obligations are being met in terms of the setting and implementation of remuneration policy and practice.
- To ensure that directors and executive management are motivated and fairly rewarded for their individual contributions to the overall company performance and are encouraged to operate within Group risk appetite.
- To demonstrate that both remuneration policy and practice is set by a committee which has no personal interest in the outcome of its decisions and who will give due regard to the delivery of sustained growth in shareholder value and to the financial and commercial health of the Group.
- To ensure that the Remuneration Committee and Group Board have sufficient oversight and awareness of our people and reward strategy, culture and associated policies.
- To ensure that we can recruit and retain high calibre executive management through fair and attractive, but not excessive, remuneration packages.

The Remuneration Committee is appointed by the Group's Board of Directors, on the recommendation of the Nomination Committee in consultation with the Chair of the Remuneration Committee and with the consent of Plutus Topco. The Remuneration Committee is formed of NEDs from the Group Board and representatives from HPS Investment Partners. Members of the ExCo, General Counsel, Company Secretary, and external consultants attend as required. The Remuneration Committee meets at least twice a year and otherwise as required.

The Remuneration Committee decision-making is supported by a number of governance bodies and control functions. The Executive Risk and Compliance Committee provides independent assessments of risk and advises on risk adjustments to remuneration. The Nomination Committee oversees senior appointments and governance of key roles. Control functions, including Risk and Compliance, provide oversight and input to ensure remuneration practices align with risk management and regulatory requirements.

6.2 Material Risk Takers ("MRTs")

The firm identifies MRTs in line with SYSC 19G.5 by assessing which staff have a material impact on its risk profile. This includes members of the governing body and senior management, particularly the ExCo, who are responsible for day-to-day management of the firm.

6. Remuneration policies and practices (continued)

6.2 MRTs (continued)

The firm also includes individuals below ExCo with managerial responsibility for key business units or control functions (e.g. heads of functions), including those responsible for regulated activities, risk, compliance, and financial crime.

In addition to SYSC 19G.5.3R, the firm applies further criteria to capture individuals with significant influence over risk, including those with decision making authority, responsibility for strategic decisions, significant revenue or assets, or the ability to materially impact prudential, operational, conduct or reputational risk.

The firm has applied these criteria on a proportionate basis, taking into account its size, internal organisation, and the nature, scope and complexity of its activities. The list of MRTs is reviewed annually and approved by the Remuneration Committee.

6.3 Remuneration Policy

The firm operates a robust governance framework for the development and oversight of its remuneration policies in line with the MIFIDPRU Remuneration Code. Ultimate responsibility for the remuneration policy sits with the Group Board, which approves and may amend the policy.

The Nucleus Group's Remuneration policy plays a key role in supporting the delivery of sustained growth in shareholder value and to the financial and commercial health of the Group by ensuring that our people within the scope of the policy are motivated and fairly rewarded for their individual contributions to our overall performance and are encouraged to operate within Group risk appetite.

Remuneration packages for Executives and Senior Leadership Team are comprised of base salary, 10% non-contributory pension, discretionary bonus, Management Incentive Plan ("MIP") or Long-Term Incentive Plan ("LTIP"). Eligibility to the MIP and LTIP is based on seniority and role.

The policy is subject to annual review and approval by the Remuneration Committee, with an independent review of implementation conducted by control functions. The governance framework includes processes to manage conflicts of interest, including ensuring individuals are not involved in decisions relating to their own remuneration and maintaining appropriate independence within committee structures.

The firm periodically engages external advisers in the development and review of its remuneration policy and practices. These have included Korn Ferry, PwC, and independent compliance and risk consultants, who have provided review, benchmarking and regulatory input at various stages of the policy's development and updates.

6.4 Design of variable remuneration

The overall size of aggregate bonus awards is determined by the Remuneration Committee and is calculated based on various business performance metrics.

6. Remuneration policies and practices (continued)

6.4 Design of variable remuneration (continued)

Individual performance is measured on how (behaviour aligned to values) and what (objectives) is delivered assessed against corporate objectives. Ratings are assigned by people leaders and are used to assist in assessing performance and behaviours consistently across their team. Calibration of ratings is undertaken to ensure fairness and consistency in assessment of performance.

Performance at firm level is measured against the NFS balanced scorecard set by the Board.

The discretionary bonus, MIP and LTIP are subject to malus and clawback provisions as appropriate. 30% of the discretionary bonus above £150k will be deferred, with a de minimis deferral minimum of £10,000, and is payable in equal instalments over the following 3 years.

Senior members (along with other team members) of the distribution team are also eligible to participate in the sales performance scheme. This scheme incentivises achievement of sales goals to improve performance and drive revenue and assets under administration growth in alignment with the Group's objectives and includes a behavioural overlay to encourage collaboration and teamwork, rather than a drive for individuals to succeed at other team members' expense. The percentage of variable reward is based on seniority of role. The scheme is structured to meet regulatory responsibilities and have appropriate governance to ensure it is monitored and implemented to deliver good customer outcomes.

The firm takes an exceptional approach to guaranteed variable remuneration and discretionary severance pay. It is only permitted to address specific business risks, such as attraction and retention of key individuals, and linked to defined events and periods of time.

For MRTs, on the rare occasions when guaranteed variable remuneration is approved, it is limited to the first year of service in the context of hiring a new MRT and subject to approval by the Remuneration Committee and NFS having a strong capital base.

Total guaranteed variable remuneration for MRTs in 2025 (£'000s)	-
Number of MRTs receiving these awards	0
Highest severance payment awarded to an individual MRT in 2025 (£'000s)	30

For obligation MIFIDPRU 8.6.8R(5)(b) the exemption in 8.6.8(7)(b) has been relied on to prevent individual identification of an MRT.

6.5 LTIPs

Nothing was paid out to any MRTs from LTIPs in 2025.

6. Remuneration policies and practices (continued)

6.6 Remuneration 2025

In the performance year ended 31 December 2025, there were 18 MRTs, compared to a total of 12 in 2024. The members of the Executive Committee are considered the Senior Management.

(£'000s)	Senior Management[1]	Other MRTs[1]	Other Staff[2]
Fixed remuneration	2,339	928	42,025
Variable remuneration	1,397	220	4,628
Total remuneration	3,796	1,147	46,653
Total MRTs identified	11	7	N/A

[1] Senior Management and Other MRTs disclosures represent total remuneration of those staff of NFS who are fully or partly involved in the activities of NFS.
[2] As there are a number of staff employed directly and indirectly by NFS, these figures represent an apportioned amount of the total IFG fixed and variable remuneration for Other Staff, apportioned to NFS on a revenue basis.

The figures disclosed for Senior Management, Other MRTs and Other Staff include the remuneration of individuals employed by a separate Group company, who provide support on a multi-entity basis. The remuneration disclosed for these individuals reflects total compensation and is not apportioned for the support provided to NFS. The figures disclosed above are also consistent with the information submitted to the FCA within the relevant regulatory returns in respect of the IFG of which NFS is a member.

6.7 Firm risk profile

The principal risks Nucleus is exposed to, are those which may have a material impact on the firm's financial soundness, operational resilience and customer outcomes. They include:

- Prudential and capital risk – the risk of insufficient capital to meet regulatory requirements or absorb losses.
- Liquidity risk – the risk that the firm cannot meet its financial obligations
- Operational risk – including technology failures, outsourcing arrangements and operational resilience events.
- Conduct and customer outcome risk – including risks arising from poor customer outcomes or failure to meet Consumer Duty expectations.
- Financial crime risk – including money laundering and fraud risks.
- Reputational risk – arising from adverse events impacting stakeholder trust
- Strategic and business risk – including risks associated with delivery of the business plan and market conditions.

The firm's risk appetite framework, approved by the Board, sets out quantitative and qualitative tolerances across these risk categories. Performance against risk appetite, including any breaches or emerging risks, is a key input into remuneration decisions.

6. Remuneration policies and practices (continued)

6.7 Firm risk profile (continued)

The firm applies a risk adjustment framework to ensure variable remuneration reflects both performance and risk outcomes. This includes:

- Ex-ante adjustment: consideration of current and forward-looking risks when setting bonus pools and assessing performance.
- In-year oversight: monitoring of risk appetite and emerging risks through governance forums.
- Ex-post adjustment: downward adjustment of remuneration, including malus and clawback.

Risk input is provided by the CRO and the Executive Risk and Compliance Committee to the Remuneration Committee.

Risk is incorporated into remuneration through:

- Adjustment of the overall bonus pool for risk, capital, and affordability.
- Assessment of individual performance against risk management behaviours and customer outcomes.
- Discretionary reductions where risk appetite is breached or material risk events occur.

Variable remuneration is subject to malus and clawback. Malus allows the reduction or cancellation of unpaid awards, while clawback enables recovery of paid remuneration where appropriate, including in cases of misconduct, material risk management failures, financial misstatement or regulatory breaches.

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