THIRD FINANCIAL

MiFIDPRU 8 DISCLOSURE

Financial year end 31st December 2025

part of nucleus Group

Contents

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.

Third Platform Services ("TPS") is classified as a Non-Small and Non-Interconnected ("Non-SNI") MiFIDPRU investment firm. TPS offers a Model B settlement and safe custody service for customers comprising trade execution, settlement and safeguarding of monies and assets for the underlying clients of these customers.

1.2 TPS structure and composition

TPS is a company incorporated in England and Wales. The immediate parent undertaking is Third Financial Software Limited ("TFS"), 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 TPS is a part of.

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

TPS is regulated by the FCA, reference number 717915 and has its registered office at 8th Floor Centennium House, 100 Lower Thames Street, London, EC3R 6DL.

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")

TPS operates within the Nucleus Group RMF. The Group RMF provides the overarching structure for identifying, assessing, managing, monitoring, reporting and escalating risk across the Group, including regulated entities such as TPS. TPS has broadly adopted the Group RMF and continues to embed it within its local governance, control and reporting arrangements.

The RMF forms part of TPS's wider system of internal control and governance. It supports consistent risk management practice, provides clarity over roles and responsibilities, and helps ensure that material risks are identified, assessed, escalated and managed in a timely and proportionate manner. The framework also provides the tools and methodology through which risk exposures are treated, mitigated or accepted, with the objective of reducing the risk of harm to clients, the firm, the wider Group and market integrity.

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 TPS Board of Directors ("the Board") is responsible for ensuring that TPS maintains a sound system of internal control and risk management. In doing so, it operates within the wider Group governance structure while retaining accountability for the risks specific to TPS as an FCA-regulated entity.

The Group Board retains overall responsibility for the Group's risk management arrangements and receives reporting across regulated entities. TPS is subject to Group-level risk oversight, including through the Board Risk Committee and relevant executive governance forums. The Board Risk Committee focuses on the risk profile across the Group and the effectiveness of the RMF.

2. Risk management objectives and policies (continued)

2.1 RMF (continued)

2.1.1 Role of the Board and Executive Team (continued)

At executive level, risk matters relevant to TPS are considered through the Group Executive Risk and Compliance Committee and TPS-specific governance forums, including the Third Executive Committee, Third Risk Committee and specialist forums as appropriate. These forums support the identification, assessment, monitoring and control of risks relevant to TPS, including operational, regulatory, conduct, financial crime, market abuse, Client Assets Sourcebook ("CASS") and client asset-related, prudential and financial resilience, proposition, execution and dealing, transaction reporting, third-party and outsourcing, technology, data, cyber, change and operational resilience risks.

Where matters require escalation, TPS governance forums escalate through the appropriate Group committee structure and, where required, to the TPS Board or relevant Group Board committee. This ensures that TPS-specific risks are considered locally and in the context of the wider Group risk profile.

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

TPS applies the Group Risk Appetite Framework, which defines the level of risk the business is willing to accept in pursuit of its strategic objectives.

Risk appetite is overseen through local and Group governance. The TPS Board and senior management monitor key measures and escalate matters where tolerances are breached or risk exposure increases.

The framework is reviewed and approved annually by the Group Board and is embedded into day-to-day management and governance decisions.

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

2.1.4 Policy framework

TPS operates within the Group Policy Framework. The framework sets out how policies are created, maintained, communicated and monitored across the business. TPS has adopted relevant Group policies where appropriate and continues to align local procedures, standards and control documentation to the Group framework.

2. Risk management objectives and policies (continued)

2.1 RMF (continued)

2.1.5 Three lines of defence model

TPS operates under the Group's 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 Group Risk Team promotes the implementation and operation of the RMF across the Group, including TPS. The Risk Team provides oversight, challenge, guidance and support to senior management and business areas in identifying, assessing, managing and reporting risks.

TPS also receives second-line support from Compliance, Financial Crime and other specialist functions. These functions support TPS in maintaining appropriate oversight of regulatory, operational, conduct, financial crime, market integrity, CASS, proposition and prudential risks.

The CRO is independent from the first line of defence and reports to the CEO. The CRO leads the second-line risk function and supported by the Risk Team, provides advice, oversight and challenge on the management of risk across the Group. TPS's local risk and compliance arrangements operate within this broader mandate while ensuring that TPS-specific regulatory obligations and risks are appropriately identified, escalated and managed.

2.1.7 Identification, measurement and control

TPS applies the Group approach to risk identification, measurement and control. Risk identification is the responsibility of all colleagues, with business managers accountable for identifying and managing risks within their areas of responsibility.

TPS identifies risks through a range of mechanisms, including governance and oversight activities, incident and issue reporting, management information, monitoring and assurance activities, audit findings, regulatory and industry developments, control assessments, business change initiatives, and ongoing review of internal and external risk factors.

Risks are assessed on an inherent and residual basis. Inherent risk reflects exposure before controls, while residual risk reflects exposure after considering control effectiveness and mitigating actions. Residual risks are assessed against relevant risk appetite thresholds.

2. Risk management objectives and policies (continued)

2.1 RMF (continued)

2.1.7 Identification, measurement and control (continued)

TPS's risk assessment process takes account of previous risk events, incident analysis, remediation activity, audit outcomes, regulatory expectations, control gaps and emerging risks. Low-level risks are managed and monitored through local forums and business management processes. Where risk exposure increases, themes emerge, appetite thresholds are approached or breached, or issues become material, matters are escalated through TPS and Group governance.

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.

TPS uses Group risk management tools to record and monitor risks, controls, incidents, key risk indicators and remediation activity.

2.1.9 Culture

TPS seeks to maintain a risk-aware culture aligned to the Group RMF, promoting openness, accountability and timely escalation.

Business managers are responsible for risks and controls within their areas, while all colleagues are expected to identify and report risk events, control weaknesses and emerging issues. Risk events are expected to be reported promptly, assessed appropriately and remediated where necessary.

This culture is supported through training, governance forums, senior management oversight, risk reporting, policy adherence and ongoing communication from the Risk, Compliance and Financial Crime functions.

2.1.10 Resources and capabilities

The CRO and Executive Committee, supported by senior managers across the business, ensure that departments have adequate capacity and understanding to embed the desired risk culture across the business.

TPS's risk management capability is supported by local senior management, first-line business ownership, second-line Risk, Compliance and Financial Crime oversight, and Group specialist functions. The firm continues to enhance capability through improved governance, clearer risk ownership, better use of risk systems, strengthened management information, targeted training and continued embedding of the Group RMF.

2.2 RMF effectiveness

Internal Audit, as the third line of defence, provides independent assurance over the effectiveness of the management of risks and the control environment. The second line of defence partners with and challenges the first line and promotes the embedding of the RMF where weaknesses or enhancement opportunities are identified.

2. Risk management objectives and policies (continued)

2.2 RMF effectiveness (continued)

TPS continues to move from broad adoption of the Group RMF to deeper operational embedding. This includes further development of risk appetite reporting, Risk and Control Self-Assessment ("RCSA") maturity, control evidence, incident analysis, thematic management information, risk aggregation and governance reporting. These enhancements are intended to support a more mature, consistent and evidence-based risk management environment for TPS.

2.3 Risk categories and risk management

The Board recognises that the business strategy and operations of TPS have the potential to cause material harm: harm to clients; harm to market integrity; and harm to the firm and wider Group.

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

The Internal Capital Adequacy and Risk Assessment ("ICARA") process supports TPS's assessment of whether it holds sufficient Own Funds and Liquid Assets to address the potential for material harm, support ongoing operations and, if required, enable an orderly wind-down. The ICARA is informed by the outputs of the RMF, including risk assessments, risk appetite monitoring, incidents, control assessments, audit findings, emerging risks, stress testing and governance reporting.

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 Assets and Liabilities 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: TPS could lose or impair important relationships as a consequence of operational failures, poor service performance, system functionality issues, pricing or proposition matters, or wider market developments. This risk is mitigated through relationship management, proposition oversight, service and operational performance monitoring, and governance escalation where required.

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 Managing Director ("MD"), and Financial Director ("FD"). The Board provides a balance of skills, experience and independent knowledge to enable the Board 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 to the MD and, through him, to senior management. TPS has access to and has delegated specific oversight activity to the NFPL audit, risk, nomination and Remuneration Committees whose powers, obligations and responsibilities are set out within written Terms of Reference. The MD and senior management have considerable experience in the financial technology sector and are responsible for the operational management of the organisation. This specialist knowledge is supported by the general business skills of each of the 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 sub-entity

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

Role	Board Member	External Directorships
Chairman and Non-Executive Director	Richard Hoskins	5
NED	Cathryn Riley	2
NED	Michael Regan	0
MD	Chris Williams	0
FD	Michael Scott	0

3. Governance (continued)

3.2 Board committees

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

3.2.1 Risk Committee

TPS 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 Board 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 TPS.

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 Group CASS management frameworks and functions. TPS Board has delegated to the committee, consideration of internal and external audit matters pertaining to TPS.

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 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 Enterprise ExCo are responsible for managing the business in line with the business's strategic aims and objectives and ensuring alignment with corporate policies and practices. It supports the effective management of regulatory requirements and focuses on business performance and improvement initiatives in the context of the conduct framework and customer outcomes. The committee is also responsible for overseeing financial performance and budgets, the risk framework, the adequacy of systems and controls, and regulatory matters, and for overseeing its sub-committees to ensure appropriate escalation of issues. The Enterprise ExCo serves as the ExCo for TPS and reports to the Group ExCo. Where required, the Enterprise ExCo escalates risk and compliance matters to the Group Executive Risk and Compliance Committee, which is a sub-committee of the Group ExCo, in accordance with the Group governance framework.

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 TPS. 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.

TPS's regulatory capital is made up solely of CET1. The value of TPS's Own Funds at 31 December 2025 was £24,645k and is comprised of issued share capital, share premium and retained earnings.

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**	**24,645**	
2	**Tier 1 Capital**	**24,645**	
3	**Common Equity Tier 1 Capital**	**24,645**	
4	Fully paid up capital instruments	1,267	Page 18 – called up share capital
5	Share premium	1,485	Page 18 – share premium account
6	Retained earnings	21,893	Page 18 – profit and loss reserves
7	Accumulated other comprehensive income	-	
8	Other reserves	-	
9	Adjustments to CET1 due to prudential filters	-	
10	Other funds	-	
11	(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	-	
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	-	

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 TPS'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	Investments	260	
2	Property, plant and equipment	42	
3	Debtors	14,483	
4	Cash and cash equivalents	12,968	
	Total assets	**27,753**	
Liabilities – Breakdown by liability classes according to the balance sheet in the audited financial statements			
1	Trade and other payables	3,098	
2	Provisions	10	
	Total Liabilities	**3,108**	
Shareholders' equity			
1	Called up share capital	1,267	Item 4
2	Share Premium	1,485	Item 5
3	Retained earnings	21,893	Item 6
	Total shareholders' equity	**24,645**	

4.2.2 Own Funds: main features of own instruments

TPS's Own Funds comprises issued share capital, the share premium reserve and audited retained earnings.

5. Own Funds regulatory requirements

5.1 Overview

TPS 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.

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

- The Own Funds held by TPS compared with the OFTR calculated according to MiFIDPRU; and
- The Liquid Assets held by TPS 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 TPS'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

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		**3,828**
K-ASA	2,922	
K-CMH	1,480	
	4,402	
K-COH	24	
KFR		**4,426**
Own Funds requirement		**4,426**

TPS'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, TPS undertakes a harms assessment which provides a structured analysis of the potential harms that the activities of TPS may pose to its clients, markets and TPS 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 TPS' 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. Remuneration policies and practices (continued)

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.

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 Group's balanced scorecard set by the Group 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 TPS 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. Remuneration policies and practices (continued)

6.5 LTIPs

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

6.6 Remuneration 2025

In the performance year ended 31 December 2025, there were 9 MRTs, compared to a total of 5 in 2024. The 8 MRTs who are part of the ExCo are considered the Firm's Senior Management.

(£'000s)	Senior Management[1]	Other MRTs[1, 2]	Other Staff[3]
Fixed remuneration	1,130	-	12,495
Variable remuneration	288	-	1,376
Total remuneration	1,418	-	13,871
Total MRTs identified	8	1	N/A

[1] Senior Management and Other MRTs disclosures represent total remuneration of those staff of TPS who are fully or partly involved in the activities of TPS.
[2] For obligations MIFIDPRU 8.6.8R(4)(a)(b)(c) the exemption in 8.6.8R(7)(b) has been relied on to prevent individual identification of an MRT.
[3] As there are a number of staff employed directly and indirectly by TPS, these figures represent an apportioned amount of the total IFG fixed and variable remuneration for Other Staff, apportioned to TPS on a revenue basis.

The figures disclosed for Senior Management and Other MRTs 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 TPS. 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 TPS 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 Group 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.