TwentyFour Asset Management LLP
MIFIDPRU 8 Disclosure
as at 31st December 2025

Introduction

The Financial Conduct Authority ("FCA" or "regulator") in the Prudential sourcebook for MiFID Investment Firms in the FCA Handbook ("MIFIDPRU") sets out the detailed prudential requirements that apply to TwentyFour Asset Management LLP ("24AM"). However, these requirements are also applied to 24AM and its group companies (meaning 24AM and its subsidiaries, collectively "TwentyFour" or the "Firm").

Chapter 8 of MIFIDPRU ("MIFIDPRU 8") sets out public disclosure rules and guidance with which the Firm must comply, further to those prudential requirements.

24AM is classified under MIFIDPRU as a non-small and non-interconnected MIFIDPRU investment firm ("Non-SNI MIFIDPRU Investment Firm"). As such, the Firm is required by MIFIDPRU 8 to disclose information on the following areas:

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

The purpose of these disclosures is to give stakeholders and market participants an insight into the Firm's culture and data on the Firm's own funds and own funds requirements allows potential investors to assess the Firm's financial strength.

This document has been prepared by TwentyFour in accordance with the requirements of MIFIDPRU 8 and is verified by 24AMs Executive Committee. Unless otherwise stated, all figures are as at the Firm's 31 December financial year-end.

Risk Management Objectives and Policies

This section describes TwentyFour's risk management objectives and policies for the categories of risk addressed by the requirements of the Firm in the following areas:

- Own funds
- Market risk
- Concentration risk
- Liquidity

Business Strategy

The Firm is an asset manager specialising in fixed income securities. The Firm seeks to offer well-managed, diverse portfolios, employing the latest asset management techniques within a robust institutional framework. The Firm's portfolio managers are highly experienced and have prominent reputations within the fixed-income market.

The Firm now has a seventeen-year plus track record, having launched in September 2008 and having taken on its first asset management mandate in December 2008. It has been highly successful in growing assets under management ("AUM") consistently since inception, particularly considering the challenging economic conditions since its launch, with approximately £23.5 billion AUM as at 31st December 2025.

The Firm's clients are professional investors such as pension funds, insurance companies, collective investment schemes and other professional investors that will either invest directly into a TwentyFour fund or will engage the Firm for portfolio management of a segregated mandate or fund.

TwentyFour primarily seeks to grow its revenues by growing the underlying asset base on which it charges a management fee. This is achieved by the prudent growth of the Firm's client's assets and by seeking additional asset inflows from prospective clients and investors.

Costs are controlled carefully to ensure long-term profitability. The business seeks to make investments to expand its business and product lines and to continuously improve its control environment.

Given the Firm's business model, controls, and controls assessment, it is the conclusion of the Executive Committee that its overall potential for harm to market is low.

Own Funds Requirement

TwentyFour is required to maintain own funds that are at least equal to the Firm's own funds requirement. The own funds requirement is the higher of the Firm's:

- **Permanent minimum capital requirement ("PMR")**: The level of own funds required to operate at all times. Based on the MiFID investment services and activities that the Firm currently has permission to undertake this is set at £75,000;
- **Fixed overhead requirement ("FOR")**: The minimum amount of capital that TwentyFour would need to have to absorb losses if the Firm has cause to wind down and exit the market. This is equal to one quarter of the Firm's relevant expenditure; and
- **K-factor requirement ("KFR")**: The KFR is intended to calculate a minimum amount of capital that TwentyFour would need for the ongoing operation of its business. The K-factors that apply to the Firm's business are K-AUM (calculated on the basis of the Firm's assets under management ("AUM")) and K-COH (calculated on the basis of the client orders handled by the Firm).

TwentyFour's own funds requirement is currently set by its Fixed Overhead Requirement ("FOR"), as this is the highest of the applicable PMR, FOR and K-factor requirement metrics. The potential for

harm associated with TwentyFour's business strategy, based on the Firm's own funds requirement, is low.

A method adopted by the Firm to manage the risk of breach of the Firm's own funds requirement is the maintenance of a healthy own funds surplus above the own funds requirement. In the event that the Firm's own funds cease to be at least 110% of the Firm's own funds threshold requirement, the Firm will immediately notify its Executive Committee and the Board of Directors (the "Board"), as well as the regulator. The Firm formally reviews forward-looking projections for OFR on a monthly basis and employs an internal warning threshold above the 100% minimum coverage requirement. The Board will consider the necessary steps required in order to increase the own funds buffer; this may include injecting more own funds into the Firm.

Market Risk

Market risk addresses the Firm's exposure to risk through its interactions with the wider economic environment. Whilst the Firm itself may have limited direct exposure to market risk, its clients may have greater exposure.

The Firm has minimal direct exposure to market risk; all attributable to trade receivables and cash held in non-sterling denominated currencies.

Given that most or all of the Firm's revenue originates in its clients, exposure of its clients to market risk could impact the Firm through loss of capital, reduction in revenue, loss of clients and reputational damage.

External factors may include:

- Interest rate movements
- Exchange rate movements
- Downturn in relevant markets
- Volatility changes

The Firm will identify how it manages these risks. Controls may include:

- Regular risk review meetings
- Stop losses and limit rules
- Daily position reporting
- Product and market exposure limits

Business Concentration Risk

Business Concentration risk is the risk that results from a lack of diversification in business type, business channels, or investor base.

The Firm's business strategy is to build diversity both in terms of the number and type of clients and the asset classes (within fixed income). Currently the Firm has large range of clients invested across a broad range of portfolios that belong to three distinct investment strategies (multi sector, investment grade / absolute return and asset backed securities). Such diversification provides for a diverse stream of revenue and the loss of any single investor will not materially negatively impact Firm revenue to the degree outside of appetite. Moreover, the investors are typically institutional professional investors that invest for the long term, and the Firm's asset-raising strategies are aligned to a broad range of investors.

The potential for harm associated with TwentyFour's business strategy, based on the Firm's business concentration risk, is low.

Liquidity

The Firm is required to maintain sufficient liquidity to ensure that there is no significant risk that its liabilities cannot be met as they fall due and to ensure that it has appropriate (liquid) resources in the event of a stress scenario.

The potential for harm associated with TwentyFour's business strategy, based on the Firm's basic liquid assets requirement, is low. As with regard to its own funds requirement, this is due to the maintenance of a healthy core liquid assets surplus above the basic liquid assets requirement.

The Firm retains an amount it considers suitable for providing sufficient liquidity to meet working capital requirements under various conditions. TwentyFour has always had sufficient liquidity within the business to meet its obligations and there are no perceived threats to this given the cash deposits it holds. Additionally, it has historically been the case that all debtors are settled promptly, thus ensuring further liquidity resources are available to the Firm on a timely basis. The cash position of the Firm is monitored by the Executive Committee on a regular basis, and the Firm would be able to call on its parent undertaking for further capital as required.

Risk Management Structure

The Board of Directors (the "Board") is responsible for the oversight of the Firm, which aims to continue to grow investments on behalf of its clients from the UK and around the world. The Board is comprised of three members from Vontobel and two from the Firm: the Chief Executive Officer Ben Hayward and the Chief Operating Officer Nick Knight-Evans.

Reporting into the Board and overseeing the Firm's day-to-day key activities, operations and governance is the Executive Committee. The Executive Committee is charged with business planning, strategy and performance, recruiting and retaining talent, risk management, maintaining an ethical corporate culture and sustainable business practices.
In addition, the Firm has an Investment Committee, a Risk & Compliance Committee, a Product Governance Committee, an ESG Committee, a Legal & Regulatory Committee and a Valuation Committee each of which reports into the Executive Committee.

The Executive Committee assumes overall responsibility for risk management and thus the risk appetite of the Firm.

TwentyFour has established an independent Risk and Compliance Committee (R&CC) which is independent of the Executive Committee. The purpose of the R&CC is to ensure that it has effective systems and controls in place to identify, monitor and manage risks arising in the business, advise the Executive Committee on the firm's overall current and future risk appetite and strategy and assist the Executive Committee in overseeing the implementation of that strategy by senior management. Members of the R&CC have the appropriate knowledge, skills and expertise to fully understand, manage and monitor the risk strategy and risk appetite of the Firm.

The Firm's Chief Risk Officer is responsible for the design and operation of the Firm's risk management arrangements with the Firm's risk management team assuming responsibility for day-to-day risk management.

The Firm has developed a set of policies and procedures having regard to the relevant laws, standards, principles, and rules (including regulatory principles and rules) that defines a comprehensive and transparent risk management framework. These policies and procedures are updated as required.

Annually, the Firm formally reviews its control framework and other risk mitigation arrangements and assesses their effectiveness. The conclusions to this review inform the overall risk appetite of the Firm. Formal updates on operational risk matters are provided to the Executive Committee on a regular basis.

Management accounts demonstrating the continued adequacy of TwentyFour's regulatory capital are also reviewed on a regular basis by the Executive Committee.

Appropriate action is taken where risks are identified that fall outside of the Firm's tolerance levels or where the need for remedial action is required in respect of identified weaknesses in TwentyFour's mitigating controls.

Governance Arrangements

Overview

TwentyFour believes that effective governance arrangements help the Firm to achieve its strategic objectives while also ensuring that the risks to the Firm, its stakeholders, and the wider market are identified, managed, and mitigated.

The Executive Committee has overall day-to-day responsibility for TwentyFour and is therefore responsible for defining and overseeing the governance arrangements at the Firm.

In order to fulfil its responsibilities, the Executive Committee meets on a monthly basis. Amongst other things, the Executive Committee oversees the implementation of the Firm's strategic objectives and risk appetite, ensures the integrity of the Firm's accounting and financial reporting systems, including financial and operational controls, ensures compliance with the requirements of the regulatory system, assesses the adequacy of policies relating to the provision of services to clients, and provides oversight of the Firm's senior management.
A key document that is reviewed, discussed, and ratified by the Executive Committee at least annually is the Firm's Governance Summary Document ("SYSC Document"), as this demonstrates how the Firm has met its obligations with regard to its governance arrangements. The SYSC Document provides the Executive Committee with information on the functioning and performance of all aspects of the Firm, including the following areas:

- General organisational requirements, including steps taken by the Firm to ensure continuity and regularity in the performance of its regulated activities, and the Firm's accounting policies;
- Employees, including steps taken by the Firm to ensure that employees have the necessary skills, knowledge, and expertise for the discharge of the responsibilities allocated to them, and to ensure that they are fit and proper persons;
- Policies, procedures, and controls for meeting its compliance and financial crime requirements;
- Internal capital adequacy and risk assessment process;
- Outsourcing of critical or material operating functions or activities;
- Record-keeping controls and arrangements;
- Conflicts of interest management;
- Remuneration policies and practices; and
- Whistleblowing controls.

The Executive Committee

TwentyFour's management body is the Executive Committee. None of the members of the management body hold any external directorships.

Management Body Member	Position at TwentyFour
Benjamin James Hayward	Partner and Chief Executive Officer
Nicholas Knight-Evans	Partner and Chief Operating Officer
Sujantha Nadarajah	Partner, Chief Compliance Officer & MLRO
Eoin Walsh	Partner

Benjamin James Hayward

Ben Hayward has over 25 years' experience working in financial services, including the last fourteen years which have been with the Firm. His expertise in fixed income and ABS markets, client need across global jurisdictions and best practise across the industry has contributed to establishing the Firm as a global fixed income house and to its continued growth over the last decade. In addition to the Executive Committee, Ben is a member of TwentyFour's Asset Allocation Committee and attends the Risk & Compliance Committee. He is cognisant of market and credit risk and alert to the Firm's operational risks. He actively engages with the Risk and Compliance departments of TwentyFour, ensuring his knowledge and awareness of risk and compliance matters with respect to the Firm and industry and regulatory practises is current and correct.

Nicholas Knight-Evans

Nicholas Knight-Evans is a founding member of TwentyFour and has over 25 years' experience working in financial services, of which 10 years were spent providing legal services to financial services firms. He has been key to the operational set up of the Firm, with overall responsibility for the risk, operations, product and IT functions. Nicholas has contributed to the Firm's expansion and growth ensuring the provision of operational capability throughout. He has a very clear understanding of the Firm's employees and clients and its product range and is considered a valuable member of the senior management team.

Nicholas is a member of the Firm's Risk & Compliance Committee, Legal & Regulatory Committee and Product Committee in addition to the Executive Committee.

Sujantha Nadarajah

With over 15 years' experience working in financial services, including the last ten years which have been with TwentyFour, Sujantha Nadarajah has been central in the development and growth of the compliance function and significantly contributed to the strategic development of the Firm. Sujan has comprehensive knowledge of the Firm, its employees and clients, and is considered a valuable member of TwentyFour's senior management.

Sujantha is a member of the Firm's Risk & Compliance Committee, Legal & Regulatory Committee, ESG Committee and Product Committee in addition to the Executive Committee and is able to provide the Firm's compliance lens in these forums.

Eoin Walsh

As a founding partner of the Firm and with over 25 years' experience working in financial services, including the last sixteen years which have been with TwentyFour. Eoin Walsh has established strong global relationships with market participants on both the buy and sell side as well as with clients, understanding current markets and their fixed income needs and requirements. He has comprehensive knowledge of the Firm, its employees and clients, and is considered a valuable member of the Firm's senior management.

In addition to the Executive Committee, Eoin is a member of the Firm's Asset Allocation Committee.

Risk & Compliance Committee

TwentyFour has established an independent Risk & Compliance Committee. The purpose of this committee is to oversee the Firm's risk strategy and appetite. TwentyFour has clearly documented policies and procedures, designed to minimise risks to the Firm and against which risk is managed and monitored.

The Risk & Compliance Committee advises the Executive Committee on the Firm's overall current risk appetite and strategy and assists the Firm's Executive Committee in overseeing the implementation of that strategy by senior management.

Own Funds

As at 31 December 2025, TwentyFour maintained own funds of £5,500,000. The below regulator-prescribed tables provide a breakdown of the Firm's own funds:

Composition of Regulatory Own Funds			
	Item	**Amount (GBP Thousands)**	**Source Based on Reference Numbers/Letters of the Balance Sheet in the Audited Financial Statements**
1	**OWN FUNDS**	**5,500**	
2	**TIER 1 CAPITAL**	**5,500**	
3	**COMMON EQUITY TIER 1 CAPITAL**	**5,500**	
4	Fully paid up capital instruments	5,500	Member's capital classified as equity
5	Share premium	-	
6	Retained earnings	-	
7	Accumulated other comprehensive income	-	
8	Other reserves	-	
9	Accumulated other comprehensive income	-	
10	Accumulated other comprehensive income	-	
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	-	

Own Funds: Reconciliation of Regulatory Own Funds to Balance Sheet in the Audited Financial Statements				
		a	b	c
		Balance Sheet as in Published/ Audited Financial Statements	Under Regulatory Scope of Consolidation	Cross-reference to Template OF1
		As at 31/12/25	As at 31/12/25	
Assets - Breakdown by Asset Classes According to the Balance Sheet in the Audited Financial Statements (in £'000)				
1	Property, plant & equipment	84	84	
2	Investments	4,611	4,611	
3	Trade and other receivables	22,098	22,098	
4	Cash and cash equivalents	23,989	23,989	
5	**Total Assets**	**50,782**	**50,782**	
Liabilities - Breakdown by Liability Classes According to the Balance Sheet in the Audited Financial Statements (in £'000)				
1	Current liabilities	16,690	16,690	
2	**Provisions for liabilities**	**350**	350	
3	**Total Liabilities**	**17,040**	**17,040**	
Shareholders' Equity (in £'000)				
1	Members capital classified as equity	5,500	5,500	
2	Loans and other amounts due to members	28,242	28,242	4
3	**Total Shareholders' Equity**	**33,742**	**33,742**	

Own Funds Requirements

TwentyFour is required at all times to maintain own funds that are at least equal to the Firm's own funds requirement. The own funds requirement is the minimum amount of capital the Firm is required to hold, taken as the higher of the PMR, FOR and K-factor requirement.

The below illustrates the core components of TwentyFour's own funds requirements:

Requirement	£'000
(A) Permanent Minimum Capital Requirement ("PMR")	75
(B) Fixed Overhead Requirement ("FOR")	4,690
(C) K-Factor Requirements ("KFR")	4,402
- K-AUM – *Risk arising from managing and advising on investments*	4,402
- K-COH – *Risk arising from order execution and reception and transmission of orders*	-
(D) Own Funds Requirement (Max. [A, B, C])	4,690

As at 31 December 2025, the Firm held own funds of £5.500m against an own funds requirement of £4.690m, giving an own funds surplus of £0.810m and coverage of 117.3%. The FOR is the binding requirement at year-end, exceeding the K-AUM requirement of £4.403m.

TwentyFour is also required to comply with the overall financial adequacy rule ("OFAR"). This is an obligation on TwentyFour to 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.

Where TwentyFour determines that the FOR is insufficient to mitigate the risk of a disorderly wind-down, the Firm must maintain 'additional own funds required for winding down', above the FOR, that are deemed necessary to mitigate the risks of a disorderly wind-down. Similarly, where the Firm determines that the KFR is insufficient to mitigate the risk of harm from ongoing operations, the Firm must maintain an amount of 'own funds required for ongoing operations', above the KFR, that is deemed sufficient to ensure the viability of the Firm throughout economic cycles.

The Firm's own funds threshold requirement is the higher of:

- The Firm's PMR;
- The sum of the Firm's FOR and its additional own funds required for winding down; and
- The sum of the Firm's KFR and its additional own funds required for ongoing operations.

This is the amount of own funds that TwentyFour is required to maintain at any given time to comply with the OFAR.

To determine the Firm's own funds threshold requirement, TwentyFour identifies and measures the risk of harm faced by the Firm and considers these risks in light of its ongoing operations and also from a wind-down planning perspective. The Firm then determines the degree to which systems and controls alone mitigate the risk of harm and the risk of a disorderly wind-down, and thereby deduces the appropriate amount of additional own funds required to cover the residual risk.

This process is documented and presented to, and ratified by, the Executive Committee on at least an annual basis.

Remuneration Policy and Practices

Overview

As a Non-SNI MIFIDPRU Investment Firm, TwentyFour is subject to the basic and standard requirements of the MIFIDPRU Remuneration Code (as laid down in Chapter 19G of the Senior Management Arrangements, Systems and Controls sourcebook in the FCA Handbook ("SYSC")). The purpose of the remuneration requirements is to:

- Promote effective risk management in the long-term interests of the Firm and its clients;
- Ensure alignment between risk and individual reward;
- Support positive behaviours and healthy firm cultures; and
- Discourage behaviours that can lead to misconduct and poor customer outcomes.

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

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

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

Characteristics of the Firm's Remuneration Policy and Practices

Remuneration at TwentyFour is made up of fixed and variable components. The fixed component is set in line with market competitiveness at a level to attract and retain skilled staff. Variable remuneration is paid on a discretionary basis and takes into consideration the Firm's financial performance. All staff members are eligible to receive variable remuneration. Variable remuneration awards are made within a context of ensuring they do not affect TwentyFour's ability to ensure a sound capital base.

Remuneration Framework

Partners

Partners are advanced an equal, fixed level of drawings and, depending on capital requirements, receive a share of net profits based on overall profitability and individual contribution. The framework used by the Executive Committee to assess the individual contribution of Partners uses both financial and non-financial measures, including contribution to the business and achievement of control objectives.

Staff Members

Investment Team Staff members receive a salary and, as a general principle, a discretionary bonus based on their core behavioural competencies and contribution to the Firm. Relevant market surveys are also used to benchmark total compensation.

Governance and Oversight

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

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

TwentyFour's remuneration policy and practices are reviewed annually.

Diversity, Equity & Inclusion Policy

TwentyFour operates a Diversity, Equity and Inclusion Policy and is committed to encouraging equality, diversity and inclusion among our workforce, and eliminating discrimination, whilst ensuring continued business performance.

At TwentyFour, diversity and inclusion is intrinsic to our values and culture of respect. The aim is for our workforce to be truly representative of all sections of society and our clients, and to cultivate an environment where each staff member feels they belong and are able to give their best and thrive. TwentyFour does not set diversity targets for the management body.

Material Risk Takers

TwentyFour is required to identify its material risk takers - those members of staff whose professional activities have a material impact on the risk profile of the Firm (and of the assets that the Firm manages). The types of staff that have been identified as material risk takers at TwentyFour are:

- Members of the management body in its management function;
- Those with managerial responsibility for a client-facing or client-dealing business unit of the Firm;
- Those with managerial responsibilities for the activities of a control function; and
- Those with managerial responsibilities for the prevention of money laundering and terrorist financing.

Quantitative Remuneration Disclosure

Partners

The individual Partners of 24AM represent senior management, or are equivalent thereto, in its investment management business and their actions have an impact on the risk profile of the Firm.

The partners' profit shares are paid from profits of TwentyFour after ensuring that regulatory capital, liquidity requirements and the working capital needs of the Firm are met, thereby ensuring that the Firm is financially viable going forward.

For the financial year 1 January 2025 to 31 December 2025, the individual partners were collectively paid a total of £2,860,000 of fixed remuneration out of the available profits for the year. The total profit available for allocation to the members of TwentyFour for 2025, including its individual partners and its corporate member, was £46,774,417.

Staff members

The below table quantifies the remuneration paid to staff members in the financial year 1 January 2025 to 31 December 2025. The table represents UK Partners and Staff only.

Period: 1 January 2025 to 31 December 2025				
		Senior Management	Other Material Risk Takers	Other Staff
Total Number of Material Risk Takers			21	
Remuneration Awarded	Fixed (£)	2,860,000	1,400,891	5,720,618
	Variable (£)	8,853,102	1,068,135	2,412,215
	Total (£)	**11,713,102**	**2,469,026**	**8,132,833**
Guaranteed Variable Remuneration	Amount (£)	-	-	
	# Staff Awarded	-	-	
Severance Payments	Amount (£)	-	-	
	# Staff Awarded	-	-	
Highest Severance Payment Awarded to an Individual (£)			-	