

MIFIDPRU Disclosure 2025
Mattioli Woods Limited



Contents

1. Executive Summary	2
1.1 Introduction	2
2. Risk management and Governance	3
2.1 Risk Management	3
2.2 Governance arrangements	8
3. Own Funds and Own Funds Requirements	10
3.1 Own funds.....	10
3.2 Own funds requirements	13
4. Remuneration Disclosure	14
4.1 Remuneration policies and practices	14
4.2 Investment Policy Disclosure.....	17

1. Executive Summary

This document presents Mattioli Woods Limited's ("Mattioli Woods", "the Company", "the Firm", "we", "our") risk management arrangements, capital requirements and remuneration disclosures.

Mattioli Woods is a specialist wealth management and asset management business, operating at the top end of its chosen markets. Mattioli Woods is authorised and regulated in the United Kingdom by the Financial Conduct Authority ("FCA") and is classified as a UK parent undertaking of an investment firm group under MIFIDPRU 2.4 with approval of the MIFIDPRU 2.4.17 permission - the Group Capital Test (GCT). Under the FCA's Investment Firms Prudential Regime ("IFPR"), Mattioli Woods is classified as a non-SNI (small non-interconnected) MIFIDPRU Investment Firm and is subject to the rules under the FCA's Prudential Sourcebook for MIFID Investment Firms ("MIFIDPRU") ("the Rules").

As at 31st May 2025 the Company's total capital resources were £15.2 million (2024: £23.6million). This exceeds the Company's minimum Own Funds Requirement of £13.8 million.

1.1 Introduction

This document sets out the public disclosures of the Company as at 31st May 2025. The disclosures have been prepared in accordance with MIFIDPRU 8 and are in line with the requirements of the Investment Firms Prudential Regime ("IFPR"), which was implemented in the UK with effect from 1 January 2022. The IFPR sets out three levels of prudential requirements that firms must comply with:

- **Own funds requirement:** sets out the minimum amount of capital firms need to hold to protect clients, the firm, and the market from potential harms.
- **Additional own funds:** requires firms and their regulatory supervisors to consider whether a firm should hold additional capital against harms not covered by the formula used to establish the own funds requirement. In the UK, this is decided using the Internal Capital Adequacy Review Assessment ("ICARA") carried out by the Company.
- **Public disclosure:** firms have to disclose publicly certain details of their risk management objectives and policy, governance arrangements, and own funds/own funds requirements. The Company must also summarise its remuneration objectives and practices. The requirements are set out in MIFIDPRU 8 and MIFIDPRU TP 12.

This document makes references to the Company's financial statements. All figures in these disclosures are consistent with the basis used for prudential regulatory reporting.

Basis of disclosure

This document sets out the public disclosures of the Company as required by MIFIDPRU 8.1.13. The disclosures have not been audited and do not form part of the Company's annual audited financial statements and should not be relied upon in making any judgement about the financial position of the Company. Unless otherwise stated, all figures are as at 31 May 2025 and are derived from the Company's audited results.

2. Risk management and Governance

2.1 Risk Management

Framework and purpose

As part of the ICARA process, Mattioli Woods must:

- a) Have a clearly articulated business model and strategy;
- b) Have a clearly articulated risk appetite that is consistent with the business model and strategy;
- c) Identify any material risks of misalignment between the firm's business model and operating model and the interests of its clients and the wider financial markets, and evaluate whether those risks have been adequately mitigated;
- d) Consider on a forward-looking basis the own funds and liquid assets that will be required to meet the Overall Financial Adequacy Rule, taking into account any planned future growth; and
- e) Consider relevant severe but plausible stresses that could affect the firm's business and consider whether the firm would still have sufficient own funds and liquid assets to meet the Overall Financial Adequacy Rule.

The firm has a clearly articulated risk appetite statement that is consistent with the business model and strategy. The purpose of risk management is to design and develop processes and tools that provide the firm with the ability to identify, assess, monitor and manage risks inherent in its business activities. This supports the firm in operating within the Board's strategic objectives and defined risk appetite.

Enterprise Wide Risk Management Framework

The Enterprise Wide Risk Management Framework ("EWRMF"), management arrangements operate under a Three Lines of Defence model:

First Line of Defence

Primary responsibility for identifying, assessing and managing risks rests with the firm's business functions.

Second Line of Defence

The Risk and Compliance function provides independent oversight, challenge, monitoring and reporting on the effectiveness of the risk management framework, systems and controls to senior Management and the Board.

Third Line of Defence

The Internal Audit function provides independent assurance to senior management and the Board that business processes, governance and controls are operating effectively. This assurance may be sourced externally from the Firm.

The firm's three lines of defence model is summarised as follows:

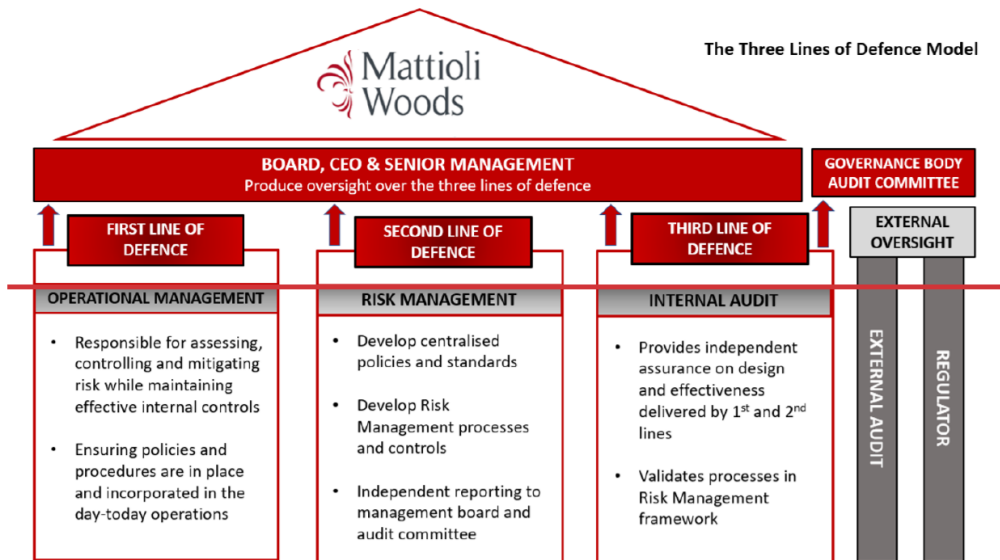


Figure 1. Mattioli Woods, The Three Lines of Defence Model

The EWRMF reviews the principal risks facing the firm under Inherent and Residual risk assessments. Inherent risks are risks before controls or mitigation are applied and Residual after controls and mitigants are in place. A risk heat map provides the overall risk universe by a 5 x 5 (impact x likelihood) matrix which considers reputational, financial and regulatory impact as a residual score. This methodology and approach helps inform the potential material harm ICARA assessment of the firm, market and client activities.

Residual risks are reviewed through the assessment of the control environment. Information is used to determine the level of risk and exposure through management information and Key Risk Indicators (such as that housed in the 4risk system), including breaches, incidents and trigger events that would prompt re-assessment of the risks concerned.

The Board does not have an appetite for 'Very High' Risks (scoring a 16 or higher on a Residual basis) and Management should escalate these risks to the Board Risk and Compliance Committee (BRCC) with a time bound plan to reduce any such risks to at least a 'High' Risk (scoring 10-15 on a Residual basis). The Board has a limited appetite for High Risks and Management should be seeking to reduce such risks, with progress to reduce such risks reported to BRCC on at least an annual basis.

Risk Profile

The Firm maintains a risk taxonomy to support the identification and aggregation of risks across its activities. Principal risks are reviewed at least on an annual basis where oversight is undertaken by the relevant Committees. The ICARA process requires MIFIDPRU investment firms to identify and review potential material harms (in line with MIFIDPRU 7 Annex 1) that are associated with its business strategy that may result in harms to clients, the firm and the wider market.

Mattioli Woods' relevant potential harms and associated risks for the ICARA assessment is undertaken using a proportionate, risk-weighted approach that enables risks with differing characteristics to be assessed on a consistent basis. The assessments consider both likelihood and impact, using information such as historical events, internal risk registers, peer data and expert judgement. These assessments provide relative compatibility rather than statistically modelled predictions but enable consideration of the residual harm exposure after mitigation measures.

Risk	Definition	Strategies and Processes
Business Risk	Business risk means any risk to a firm arising from the business strategy such as M&A activity or changes in business model affecting risk to earnings posed by failing or volatile income.	The firm undertakes thorough due diligence as part of acquisitions to identify and assess risk in acquired client portfolios, with run-off PI insurance cover and specific indemnities in place to mitigate exposure.
Credit & Counterparty Risk	The risk that clients or counterparties fail to fulfil their contractual obligations. Material harm could arise where our choice of bankers default, and such a risk is mitigated through the active monitoring of the Credit Risk Ratings from recognised External Credit Assessment Institutions (ECAIs).	The firm has a Treasury and Cash Management policy which ensures that our investments are spread between multiple investment-grade banks, and the credit-worthiness of the banks with corporate monies are monitored weekly - if concerns are identified than funds can be transferred to other banks at short notice. Loans may be advanced to new investment syndicates to facilitate the purchase of an investment. The firm only deals with recognised, creditworthy third parties (credit verification and monitoring can be considered).
Group & Reputational	Reputational risk is the risk of damage to the Mattioli Woods brand or standing with its stakeholders, i.e. regulators, existing and potential clients, and the wider industry.	Group risk is the risk that the financial position of a firm may be adversely affected by its relationships with other entities in the same group or by risks which may affect the financial position of the whole group. An Additional Own Funds Requirement has been considered under its own risk including reviewing the control environment, ongoing oversight through governance with Customer outcomes and Consumer Duty MI.
Conduct Risk	Material harm could arise where advice quality is compromised, suitability processes fail, or servicing	. The firm maintains a structured suitability framework supported by regular client reviews, oversight arrangements, second-line monitoring

	standards are not completed within expected timeframes, potentially resulting in client detriment, remediation activity, or regulatory intervention.	and standardised processes designed to promote consistency, Assurance is provided with focus on key regulatory industry concerns, there is ongoing MI and KPIs reviewed by the Board and the firm maintains PII coverage for advice.
Liquidity Risk	Liquidity risk is the risk that there is insufficient liquidity within the firm to meet the liabilities of the firm as they fall due.	Mattioli Woods manages liquidity risk through robust strategies, policies, procedures, and systems that enable it to identify, measure, manage and monitor liquidity risk over an appropriate set of time horizons. The firm uses a combination of liquidity forecasting and stress testing to identify any potential liquidity risk both during normal and stressed conditions. Risk mitigations include weekly and monthly liquidity monitoring (with increased frequency under times of liquidity stress), and monitoring of market counterparty margin requirements.
Operations /Process Risk	This is the risk that the design or execution of business processes is inadequate or fails to deliver an expected level of service and protection to client or company assets.	Mattioli Woods invests in system development and upgrades to improve process automation. There is staff training and oversight in key business processing areas. Mattioli Woods monitors and analyses errors and losses. Mattioli Woods periodically tests processes and provides assurance to the Board Risk and Compliance Committee. The firm's regulatory consultants and auditors provide external assurance. External client money audits are conducted annually where required.
Financial Crime	Financial crime covers several unlawful activities including fraud (internal and external), theft, scams, tax evasion, bribery, money laundering, sanctions violations and acts of terrorism/terrorist funding.	The firm's risk framework adopts a risk-based approach to financial crime, including undertaking formal and regular risk assessments across operations. Mattioli Woods has reporting procedures, and systems and controls in place. Mattioli Woods provides training for staff at all levels on Anti-Money Laundering and Anti-Bribery and Corruption.
IT & Cyber Security	This is the risk of unauthorised access to or	Robust cybersecurity measures are in place to protect against cyberattacks

	external disclosure of client or company information.	and data breaches, with monitoring of internal systems to alert the firm to any unusual network activity. Access to sensitive information is monitored for proper authorisations, and user activity is scrutinised on an ongoing basis.
Outsourcing	This is the risk of third-party organisations failing to provide or perform the outsourced activities or contractual obligations to the standards required with potential damage to the firm, its clients or the wider market	Due diligence is performed on suppliers before any outsourcing arrangements are agreed, and service level agreements are in place and regular monitoring of performance of the supplier is carried out.
People	This is the risk of loss of key staff or having insufficient skilled human resources available.	The Mattioli Woods Board has an evolving succession and resource plan for all key individuals and departments, which mitigates some of the risk of loss of key personnel. The firm's policy is to attract and nurture its diversified staff, retain key individuals, develop staff interpersonal skills, and optimise continuous professional development.
Regulatory & Compliance	This is the risk of regulatory sanction or legal proceedings as a result of failure to comply with regulatory, statutory, or fiduciary requirements.	Mattioli Woods has a knowledgeable and experienced executive team supported by the independent non-executive directors (NEDs) who sit on the Board. Mattioli Woods maintains compliance oversight which includes a compliance monitoring programme.

Whilst risk is inherent within the industry in which the firm operates, and the adoption of some risk can have a favourable impact on the operations of the business, the firm has invested considerable time and effort into the production of its risk management framework, policies, and procedures through the engagement of external regulatory consultants to ensure they are of a sufficiently robust nature to mitigate where possible the risk of harm the company will face (and poses to its customers and to the wider market) to a manageable extent.

2.2 Governance arrangements

Mattioli Woods Limited maintains governance arrangements through its respective Boards, which are responsible for directing the affairs of the firm in accordance with applicable laws, regulations and corporate governance. These Boards oversee the management of risks, and utilise the EWRMF to support risk identification, assessment and monitoring. Under the Senior Managers and Certification (SM&CR), designated Senior Managers hold prescribed responsibilities in relation to the MIFIDPRU investment firms. The Board is responsible for the proper management of the Firm and has a formal schedule of matters specifically reserved to it for decision. These include strategic planning, business acquisitions and disposals, authorisation of major capital expenditure and material contractual arrangements, setting policies for the conduct of business and approval of budgets and financial statements.

The Board

The Board is committed to achieving high standards of corporate governance, integrity and business ethics, and considers that the effective management of risk is fundamental to the success of the business. It also recognises the importance that continuous identification and management of risk plays in that success. An effective governance framework provides stakeholders with assurance that the business is effectively run, ensures good outcomes for clients and looks after the interests of the firm's stakeholders.

The table below shows the number of directorships held at external, commercial organisations, within the scope of MIFIDPRU 8.3.1.R(2), by members of the Board as at 31 May 2025.

Table 1. Number of Directorships Held

Name of Director	Role at the Company	Number of External Directorships
Peter Mann	Non-Executive Chair	4
Ian Mattioli	Chief Executive Officer	1
Michael Wright	Deputy Chief Executive Officer	0
Ravi Tara	Chief Financial Officer	0
Iain McKenzie	Chief Operating Officer	1
Martin Reason	Non-Executive Director	1
Lindsey McMurray	Non-Executive Director	1
Duncan Gerard	Non-Executive Director	1

Structure and organisation of risk management

Responsibility for the firm's main risks lies with the Board, but is allocated across the business as follows in line with the Three Lines of Defence model.

The Board has delegated authority to four committees within the governance structure which are comprised of appropriate senior managers, and which provide additional oversight of the firm's operations and regulatory requirements. These Committees will meet regularly and formally report to the Board - the Chairman of each committee provides a report of any meeting of that committee at the next Board meeting. The Committees are responsible for improving and monitoring the firm's processes within their own individual Terms of Reference.

- **Board Risk and Compliance Committee**

The Board Risk and Compliance Committee is responsible for ensuring that the appropriate compliance and risk policies and procedures are in place to enable the effective management of the regulatory framework and risks to which the firm is exposed and to ensure that these policies and procedures are effectively implemented, executed and compliant with relevant legislation. The Board Risk and Compliance Committee is supported by the "Operational Risk & Compliance Committee" which monitors day to day and evolving risks within the business at an operational level.

- **Audit Committee**

The Audit Committee comprises the non-executive directors (of which one is the Chair). The Board is satisfied that all members of the committee have recent and relevant financial experience and can act with independence. The committee meets with representatives of the internal and external auditors without management present at least once a year.

- **Remuneration Committee**

The Remuneration Committee is responsible for determining and reviewing the Firm's policy on executive remuneration and other benefits and terms of employment, including performance related bonuses and share options. The committee also administers the operation of the share option and share incentive schemes established by the Company.

- **Other committees**

These committees form part of the Corporate Governance framework but are not sub-committees of the Board. The main committees comprise the Executive Committee, the Asset Management Committee, the Operational Risk and Compliance Committee (ORCC), Pensions and Trust Administration Committee (PATAC) and the Advice Committee.

Equality, Diversity and Inclusion

Mattioli Woods understands the importance of diversity and inclusion, and believes that a diverse workforce, with varied skills, experiences, and backgrounds, enables the firm to better understand its clients and, more importantly, strengthens the business. Mattioli Woods is committed to supporting its employees in reaching their full potential by promoting internal career progression and opportunities for advancement. As an equal opportunities' employer, the firm recognises that talent is not determined by ethnicity, race, gender or gender identity, sexual orientation, religion, age, background, or social class.

The firm aims to cultivate long-lasting careers and create a diverse, inclusive environment where its employees feel valued and connected to a strong team. As an employer of choice, the firm strives to attract, retain, and develop the best talent from all backgrounds. Mattioli Woods' vision is to foster a respectful and supportive workplace that enables it to attract and retain a workforce that reflects the diversity of its clients and the wider community.

Significant focus continues to be on improving gender diversity in some areas of the business where the need to improve the levels of female representation is recognised – such areas include the consultancy team and Executive Committee. Mattioli Woods ensures that it seeks such representation at interview and offer stage, and follows a fair and transparent recruitment process.

3. Own Funds and Own Funds Requirements

3.1 Own funds

Tier 1 capital

In accordance with MIFIDPRU 8.4, below is a reconciliation of CET1, additional tier 1 items, The firm holds no Additional Tier 1 or Tier 2 capital instruments.

Table 2. 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	15,189	
2	TIER 1 CAPITAL	255,646	Equity 1 - 4
3	COMMON EQUITY TIER 1 CAPITAL	255,646	Equity 1 - 4
4	Fully paid-up capital instruments	555	Equity 1
5	Share premium	160,004	Equity 2

6	Retained earnings	35,862	Equity 4
7	Accumulated other comprehensive income	0	N/A
8	Other reserves	59,225	Equity 3
9	Adjustments to CET1 due to prudential filters	0	N/A
10	Other funds	0	N/A
11	(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	240,456	Asset 2 – 4 Liability 2
19	CET1: Other capital elements, deductions, and adjustments	0	
20	ADDITIONAL TIER 1 CAPITAL	0	
21	Fully paid up, directly issued capital instruments	0	
22	Share premium	0	
23	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	0	
24	Additional Tier 1: Other capital elements, deductions, and adjustments	0	
25	TIER 2 CAPITAL	0	
26	Fully paid up, directly issued capital instruments	0	
27	Share premium	0	
28	(-) TOTAL DEDUCTIONS FROM TIER 2	0	
29	Tier 2: Other capital elements, deductions, and adjustment	0	

Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements

Table 3. reconciles the firm's regulatory own funds to the balance sheet in the audited financial statements for the year ended 31 May 2025. All figures are presented on a company-only basis, consistent with the firm's use of the Group Capital Test permission.

Table 3. Own funds: Reconciliation of regulatory own funds to balance sheet in the audited financial statements

		Balance sheet as in published / audited financial statements	Under regulatory scope of consolidation	Cross reference to own funds table above
		31 May 2025 (GBP £000's)	31 May 2025 (GBP £000's)	
Assets – Breakdown by asset classes according to the balance sheet in the audited financial statements				
1	Tangible assets	4,792		N/A
2	Deferred tax	142		11
3	Intangible assets	106,711		11
4	Investments	195,215		11
5	Trade and other debtors	43,355		N/A
6	Cash and short-term deposits	16,718		N/A
	Total Assets	370,494		
Liabilities – Breakdown by liability classes according to the balance sheet in the audited financial statements				
1	Trade and other payables	80,404		N/A
2	Deferred tax liability	10,858		11
	Total Liabilities	114,848		
Shareholders' Equity				
1	Share capital	555		4
2	Share premium	160,004		5
3	Other reserves	59,225		8
4	Retained earnings	35,862		6
	Total Shareholders' Equity	255,646		3

Additionally, as per MIFIDPRU8.4.1 please find below a description of the main features of the common equity tier 1 instruments, additional tier 1 instruments.

3.2 Own funds requirements

As a MIFIDPRU (Non-SNI) investment firm, the Own Funds Requirement of Mattioli Woods is the higher of:

- a) its Permanent Minimum Requirement (PMR);
- b) its Fixed Overhead Requirement (FOR); and
- c) its K-factor Requirement (KFR).

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

In accordance with MIFIDPRU8.5, the tables below set out our firm's K- factor requirements and fixed overheads requirement. We have also included our Permanent Minimum Capital Requirement.

Table 4. K-Factor, FOR and PMR

K Factor	(GBP £000's)
Sum of the K-AUM, the K-CMH and the K-ASA	£820
Sum of the K-COH and the K-DTF	£105
Total K Factor	£925
Fixed Overheads Requirement	£13,858
Permanent Minimum Capital Requirement.	£75

Since 1 January 2022, our firm has been monitoring the Overall Financial Adequacy Rule ("OFAR"). As a MIFIDPRU investment firm we are required to hold own funds and liquid assets which are adequate, both as to their amount and their quality, to ensure that:

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

We monitor the OFAR by monitoring the 'own funds threshold requirement' and 'liquid assets threshold requirement'. We review these requirements monthly.

These requirements are formally reviewed by the Board when approving the firm's Internal Capital at Risk Assessment (ICARA). The ICARA was last approved by the board on 25 March 2026.

4. Remuneration Disclosure

4.1 Remuneration policies and practices

The decision-making procedures and governance surrounding the development of the remuneration policies and practices the firm is required to adopt in accordance with the MIFIDPRU Remuneration Code, to include, where applicable:

- The composition of and mandate given to the remuneration committee, and
- Details of any external consultants used in the development of the remuneration policies and practices

A non-SNI MIFIDPRU investment firm must disclose the types of staff it has identified as material risk takers under SYSC 19G.5, including any criteria in addition to those in SYSC 19G.5.3R that the firm has used to identify material risk takers.

Material Risk Takers

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

- Members of the Board, Executive Committee and staff who are Senior Management Function (SMF) holders;
- Roles with managerial responsibility for business units that carry out certain regulated activities in investments;
- Roles with managerial responsibility of control functions, money laundering, terrorist financing, information technology and security;
- Individuals who have the authority to take decisions approving or vetoing the introduction of new products; and
- Roles which are not Senior Managers, but whose professional activities can have a material impact on the firm's risk profile.

As at 31 May 2025, the firm had identified 10 individuals as Material Risk Takers, although during the year there were 12 individuals classified as such.

Qualitative Disclosures

Historically, the Firms' policy was to remunerate Executive Directors and senior management through basic salary and benefits, annual performance-related discretionary bonuses and participation in long-term incentive plans which promote the creation of sustainable shareholder value. The total reward was designed to include a balance of fixed and variable pay with an element of deferral. During the year, the acquisition of Mattioli Woods crystallised the value of all Long-Term Incentive Plan ("LTIP") arrangements of the Company's Executive Directors and certain senior employees such that all options vested and were exercised. No LTIP options were awarded during the financial year given that the firm is now under private ownership, and a replacement arrangement to re-introduce an element of deferral is being created. The firm continues to place important consideration on the level of fixed pay in absolute terms and weighting to variable so that undue emphasis is not placed on variable pay elements but with sufficient pay at risk to drive and reward superior performance.

Fees for the Non-Executive Directors are determined by the Board and are reviewed annually, having regard to fees paid to non-executive directors in comparable businesses, the time commitment and responsibilities of the role. Non-Executive Directors do not receive bonuses. No director is permitted to participate in decisions concerning their own remuneration.

The effective date for changes in directors' remuneration is 1 September, in line with the Firm's other employees.

Remuneration and Performance

Variable remuneration is awarded in line with the firm's performance, its business strategy and associated conduct risk as well as the long-term goals of the firm and takes into account the performance of the individual, and their contribution to the success of their business unit and the firm.

The assessment of an individual's performance includes financial and non-financial criteria, including:

- Financial performance against budget and strategic plan
- Risk management and compliance with the firm's policies, procedures and external regulations as appropriate
- Client outcomes and satisfaction
- Strategic objective delivery
- Leadership and cultural contribution

This emphasis and balance of the financial and non-financial measures is dependent on the individual's role within the company and is determined through the annual appraisal process and delivery against defined objectives and behaviours.

The Remuneration Committee oversees the setting of a maximum ratio between fixed and variable remuneration appropriate to the size of the firm and the nature of its risks and activities. The setting of this ratio aims to support positive conduct and behaviours by ensuring fixed pay levels are set at an appropriately high level relative to the role, and employees are not inappropriately incentivised to achieve variable pay outcomes that may not be in the best long-term interests of the firm and its clients. The Remuneration Committee retains discretion to adjust formulaic outcomes to ensure remuneration reflects risk-adjusted performance and promotes sustainable long-term success.

Remuneration components

An individual employee's remuneration package will consist of a combination of fixed and variable elements. The fixed component is set in line with market competitiveness at a level to attract and retain skilled staff. The variable remuneration takes into account the firm's financial performance and the financial and non-financial performance of the individual (see "Remuneration and Performance"). The fixed and variable components of remuneration are appropriately balanced: the fixed component represents a sufficiently high proportion of the total remuneration to enable the operation of a fully flexible policy on variable remuneration.

Fixed remuneration comprises of:

- Basic salary
- Pension contributions
- Benefits (such as income protection and life assurance)
- Car allowances (where applicable)

All employees under the age of 65 are automatically enrolled into the Firm pension scheme, after a deferral period. Where employees have a tax protected status in respect of the pensions lifetime allowance or are impacted by the pensions annual allowance, they may be approved to receive employer-funded retirement benefits as a cash allowance (rather than a pension scheme contribution).

Company cars are offered to specific roles which require significant travel to client meetings and as an appropriate benefit in kind to help recruit and retain talent and reflecting local market practice. Company car allowance is provided as an alternative subject to the car meeting the required standards.

In addition to salary and pension, employees may receive the following cash allowances where warranted:

- Ambassadorial Fee
- Living Allowance
- Relocation Allowance

Variable remuneration comprises of:

- Annual discretionary variable cash bonuses
- Training and exam bonuses (subject to specific criteria being met)

The calculation of all client-facing employees' cash bonus includes consideration of a range of both qualitative and quantitative criteria, so as not to create a conflict of interest or incentive that may lead relevant persons to favour their own interests or the firm's interests to the potential detriment of any client.

Other ad hoc bonuses may be awarded from time to time at the discretion of the company, for a variety of reasons, such as:

- completion of a significant project
- special calendar events (i.e. Christmas)
- delivery of an innovation or improvement
- referrals

To support effective risk management and adjustment, malus and clawback provisions are included in bonus schedules and employment contracts and are applied to termination payments appropriate to the circumstances.

Malus and clawback can take place in the following events/circumstances;

- any circumstances which would have (or could have) a material impact on the reputation of the firm

- any circumstances which cause (or could cause) a significant loss to the firm
- failure to meet appropriate standards of fairness and propriety including fraud, material dishonesty or material wrongdoing
- material failure of risk management
- any error in the calculation, determination or assessment of a variable payment
- any dismissal as a result of serious misconduct or breaches of the employment contract not covered above.

The Remuneration Committee determines whether malus and/or clawback of an award will be made, acting fairly and reasonably.

Mattioli Woods Limited has a set formula for determining an employee's severance payment based on their salary, length of service and age, which is subject to malus and clawback conditions and is designed so as not to award for underperformance, failure, inappropriate behaviours or risk taking. Severance payments are only paid in exceptional circumstances.

Quantitative disclosures

As a non SNI MIFIDPRU investment firm, we are required to disclose the total number of material risk takers we have identified (under SYSC19G.5) as per Table 5.

We are also required to disclose the fixed remuneration awarded, the variable remuneration awarded, and the total amount of remuneration awarded split into the following categories

- Senior management
- Other material risk takers
- Other staff

Table 5. Remuneration information, as at 31 May 2025

	Senior Management £000's	Other material risk takers £000's	Other staff £000's	Total £000's
Fixed remuneration	1,783	1,144	30,851	33,778
Variable remuneration	1,388	567	4,297	6,252
Total remuneration	3,171	1,710	35,148	40,030

4.2 Investment Policy Disclosure

The Company meets the conditions of MIFIDPRU 8.7.6R(1). As a result, the disclosure obligations relating to Investment Policy set out in MIFIDPRU 8.7. do not apply to the Company. Specifically, the firm's shares are not admitted to trading on a regulated market and it does not have debt securities admitted to trading on a regulated market.