



TAM Asset Management Limited

MIFIDPRU Disclosure 2025

TAM Asset Management Limited

Authorised and regulated by the Financial Conduct Authority (208243). Registered in England (04077709).
Registered Office: One Leadenhall Level 23, 1 Leadenhall Street, EC3V 1AB

www.tamassetmanagement.com

1. EXECUTIVE SUMMARY

TAM Asset Management Limited, referred to as "TAM," "the Firm," or "the Company," holds authorisation and regulation from the Financial Conduct Authority. Operating in accordance with the regulatory capital and liquidity standards for investment firms outlined in the FCA's Prudential sourcebook for MiFID Investment Firms ("MIFIDPRU"), TAM is classified as a non-SNI MIFIDPRU firm. This document serves to outline the required disclosures under MIFIDPRU, covering risk management procedures, capital status, and remuneration details for TAM.

As at 31 December 2025, the Firm had Own Funds of £2.09 million compared with an Own Funds Requirement of £0.57 million. This document is based on audited financial results for the year to 31 December 2025, with additional details available in the 'Basis of disclosure' section.

For a comprehensive understanding, it is recommended to read this document in conjunction with TAM's Financial Statements for the year to 31 December 2025. These statements provide extensive insights into the Firm's business, the markets it operates in, and its strategic approach.

1.1 Introduction

The Investment Firms Prudential Regime ("IFPR") is the Financial Conduct Authority's (FCA) prudential framework for MiFID investment firms, which became effective on 1 January 2022. IFPR delineates the obligations concerning governance, risk management, remuneration, capital, and liquidity. These obligations are detailed in the FCA's prudential sourcebook for MiFID investment firms, known as "MIFIDPRU".

The purpose of this document is to outline the public disclosures as of 31 December 2025, pertaining to TAM Asset Management Limited, in accordance with the requirements stipulated for non-significant non-SNI firms as set forth in chapter 8 of the FCA's MIFIDPRU rulebook.

These disclosures are:

- MIFIDPRU 8.3 - Governance arrangements
- MIFIDPRU 8.2 - Risk Management Objectives and Policies
- MIFIDPRU 8.4 and 8.5 - Own Funds and Own Funds Requirements
- MIFIDPRU 8.6 Remuneration Policies and Practices

1.2 Basis of Disclosure

This document sets out the public disclosures of the Firm in accordance with the requirements set out in MIFIDPRU 8.1.13. The disclosures have not been audited and do not form part of the annual audited financial statements and should not be relied upon in making any judgement about the financial position of the Firm.

Unless otherwise stated, all figures are as at 31 December 2025 and are based on the Firm's audited results for the year ended 31 December 2025.

The Firm has applied the principle of proportionality in preparing these disclosures, taking into account its size, internal organisation, and the nature, scope and complexity of its activities.

1.3 Frequency of Disclosure

Public disclosures are published annually and as soon as practicable after the signing of the Firm's audited Financial Statements. The Firm pays particular attention to the need to publish some, or all disclosures more frequently than annually based on the relevant characteristics of the business.

Means of Disclosure

This document is published on the 'Legal and regulatory' section of the Firm's website.

Scope of Application

This disclosure is made with reference to TAM Asset Management Limited only in line with the Public Disclosure requirements.

1.4 Significant changes since the previous disclosure

Compared with the previous disclosure period, the Firm's Own Funds increased from approximately £1.80 million to £2.09 million. The Firm's Own Funds Requirement decreased from £696k to £568k, while its K-AUM requirement increased from £146k to £229k.

Assets under management increased from approximately £1.1 billion to £1.4 billion during the period. There were also changes to the composition of the Board during and subsequent to the financial year, as set out in section 2.2 below.

There were no material changes to the Firm's regulatory classification or the nature of its principal regulated activities.

2. Governance arrangements (MIFIDPRU 8.3)

TAM strives to foster a culture centred on compassion, fairness, and progressiveness. These principles form the basis for TAM's governance framework and risk management practices, emphasizing a dedication to acting in the best interests of clients. Furthermore, TAM carefully considers the preservation of market integrity and the protection of the interests of various stakeholders.

2.1 Governance structure

TAM Asset Management Limited is part of the Amber River Group.

TAM's governance structure is designed to ensure effective risk management and align oversight with management responsibility. The Board, led by the Chair, has ultimate responsibility for risk oversight and management. Day-to-day risk management is delegated to the Chief Executive Officer and the Executive Committee, supported by various committees that review key risks and develop mitigation strategies.

- *Executive Management Committee*
- *Compliance and Risk Committee.* While the Firm is not required to establish a Risk Committee by virtue of the exclusion in MIFIDPRU 7.1.4R, it has voluntarily established a Compliance and Risk Committee as part of its governance framework.
- *Product and Governance Committee*
- *Investment Committee*

The Board meets at least four times a year, supplemented by ad-hoc meetings as needed. Business departments are accountable for preparing reports circulated a week in advance.

The governance framework oversees the business to ensure alignment with TAM's risk management, conflict of interest, and compliance policies. The Board ensures risks are identified and taken within the approved appetite levels.

In accordance with SYSC 4.3A.1R, TAM's Board:

- (1) Has overall responsibility for the firm.
- (2) Approves and oversees the implementation of the firm's strategic objectives, risk strategy and internal governance.
- (3) Ensures the integrity of the firm's accounting and financial reporting systems, including financial and operational controls and compliance with the regulatory system.
- (4) Oversees the process of disclosure and communications.
- (5) Is responsible for providing effective oversight of senior management.
- (6) Monitors and periodically assesses:
 - a. The adequacy and the implementation of the firm's strategic objectives in the provision of investment services and/or activities and ancillary services.
 - b. The effectiveness of the firm's governance arrangements; and
 - c. The adequacy of the policies relating to the provision of services to clients and take appropriate steps to address any deficiencies.

Has adequate access to information and documents which are needed to oversee and monitor management decision-making

2.2 MIFIDPRU 8.3.1 (2)

The Firm is required to disclose the number of executive and non-executive directorships in organisations outside of the group that pursue predominantly commercial objectives (as of 31 December 2025).

Table 1: Directorships

Name	Position	External Directorships held*	
		Executive	Non-Executive
Lester Petch	Chief Executive Officer	2	0
James Penny	Chief Investment Officer	0	0
Izabela Nowicka	Chief Compliance Officer & MLRO	0	0

* Positions held external to the TAM Group

Subsequent to the reporting date, Lester Petch transitioned from Chief Executive Officer to Chair and Michael Williams was appointed Chief Executive Officer. Michael Williams was appointed as a director on 1 February 2026. These changes occurred after the reporting date and are not reflected in the table above.

2.3 MIFIDPRU 8.3.1 (4) Culture Of Diversity, Equity, and Inclusion Policy (DEI)

TAM is committed to fostering Diversity, Equity, and Inclusion (DEI) across all levels of our organisation. Our dedication is exemplified through our comprehensive Culture DEI Policy, designed to create an environment where diversity isn't just acknowledged but celebrated as a cornerstone of our organisational ethos. This policy articulates TAM's steadfast commitment to:

a) Objectives and Targets: Our Diversity on the Management Board outlines clear objectives aimed at enhancing diversity within our team. This includes setting targets for increased female representation on our management body. We are dedicated to achieving greater gender diversity and fostering an inclusive environment reflective of diverse perspectives and experiences.

(b) Achievement: To date, we have made significant strides in advancing our diversity objectives. However, while progress has been made, we acknowledge there is still work to be done to fully achieve our targets and ensure our leadership reflects the diversity of our community and stakeholders.

(c) Shortfalls and Proposed Actions:

(i) Reasons for Shortfall: The size of our business and very low employee turnover present challenges in achieving our diversity targets. Limited opportunities for turnover within the management body and staff may contribute to a slower pace of change.

(ii) Proposed Actions: TAM remains committed to seizing opportunities for diversification as they arise. With our acquisition by Amber River, there may be opportunities to expand our team and Board, effectively creating openings for diversifying our leadership. We will actively assess and capitalise on such opportunities to enhance diversity within our management body. Additionally, we are taking steps to address this shortfall within our team. We aim for a minimum of 50% women's representation on staff recruitment shortlists. To support career advancement for women, we implement flexible programs, particularly accommodating working parents. Additionally, we promote and implement flexible work arrangements to recognise and accommodate diverse needs, acknowledging that individuals may thrive under different working conditions.

(iii) Timeline for Actions: The timeline for implementing these actions will be dictated by the emergence of opportunities. We recognise that the pace of diversification is dependent on external factors such as business growth and changes in leadership. Therefore, our actions will be responsive to these factors, ensuring that we capitalise on opportunities as they arise while maintaining a steadfast commitment to our diversity objectives.

3. Risk Management Objectives and Policies (MIFIDPRU 8.2)

TAM Asset Management Limited (TAM) operates as a MIFIDPRU non-SNI firm, primarily providing model portfolio investment management services and ancillary administration. The Firm's core activity involves discretionary management of risk-rated model portfolios for retail clients, predominantly accessed through regulated intermediaries such as Independent Financial Advisors (IFAs). TAM's client base mainly comprises UK-based IFAs, and has approximately £1.4 billion of assets under management (AUM), held on a variety of investment platforms.

3.1 Strategies and processes used to manage each of the categories of risk (MIFIDPRU 8.2.2)

TAM's risk management approach meets the standards set in MIFIDPRU 8.2.1R, aligning with regulatory norms and industry best practices. The Firm's leadership has endorsed an internal assessment of potential harm linked to its business strategy.

TAM understands that risk evaluation is vital for navigating business challenges successfully. The Firm assesses and balances risks to align with its strategic goals, aiming for improved performance and shareholder value, while prioritising client interests and regulatory compliance.

To effectively manage the various risk categories, TAM has established strategies and processes designed to identify, assess, and mitigate risk across the organisation.

The Risk Management Framework ensures alignment between strategy and risk appetite, facilitates the management of risks, and supports the maintenance of adequate capital and liquidity resources. This framework sets out clear objectives and procedures for risk identification, assessment, and mitigation.

In line with MIFIDPRU 8.2.2R(1), the Firm's Board has formally approved the statements of potential harms associated with TAM's business strategy. The Risk Appetite Statement defines acceptable risk thresholds, supported by Key Risk Indicators (KRIs) and ongoing monitoring. Quarterly Board reviews provide oversight and accountability.

Risk Category	Statement of Potential Harm	Summary of Strategies and Processes
Own Funds Risk	Insufficient Own Funds may jeopardise financial stability, regulatory compliance, and the Firm's ability to meet client obligations, potentially resulting in regulatory sanctions, client losses, and reputational damage.	- Conduct regular stress testing within the ICARA framework to ensure sufficient capital reserves - Maintain a conservative approach to capital allocation - Monitor capital adequacy ratios on an ongoing basis - Adjust capital levels in response to changing market conditions
Concentration Risk	Excessive exposure to a single counterparty, banking provider, platform, group entity or other service provider may result in financial loss, liquidity pressure or operational disruption if that counterparty fails to meet its obligations or services are interrupted.	- Monitor material counterparty and debtor exposures through the Firm's risk management and ICARA processes - Monitor significant and aged receivables, including exposures to group entities - Review concentrations in banking and key service-provider arrangements - Maintain appropriate controls and contingency arrangements to mitigate material concentration risks - Escalate material concentrations through the Firm's risk governance framework
Liquidity Risk	Insufficient liquidity may lead to operational disruptions, client dissatisfaction, and reputational damage, posing	- Maintain sufficient liquidity reserves to meet client obligations and operational needs - Conduct regular liquidity stress testing to identify potential vulnerabilities

Risk Category	Statement of Potential Harm	Summary of Strategies and Processes
	risks to financial stability and regulatory compliance.	• Monitor liquidity levels on an ongoing basis • Implement contingency plans to mitigate liquidity constraints
Risk Management and Governance Risk	Ineffective risk governance may result in failure to identify, analyse, and respond to potential risks adequately, leading to harm to clients, markets, or the Firm.	• Promote a risk-aware culture across the organisation • Actively manage risks that may impact the business model, performance, and objectives • Integrate risk management into business activities and decision-making processes • Define and operate within a clear Risk Appetite Statement • Maintain Board oversight of risk management, supported by the Risk and Compliance Committee • Ensure that systems and controls are appropriate to the nature, scale, and complexity of the business
Operational Risk and Controls	Failures in operational processes, systems, or controls may result in business disruption, financial loss, or client detriment.	• Maintain operational controls across business processes and systems • Ensure effective risk identification and reporting mechanisms • Provide oversight through executive management and governance committees • Support risk management activities through broader business functions

4. Own Funds (MIFIDPRU 8.4)

4.1 Regulatory Own Funds

The Firm's regulatory Own Funds are set out in Table 1 below. An outline of the components of the Firm's Common Equity Tier 1 capital is provided beneath the tables.

Table 1: Composition of Regulatory Own Funds:

	Item	Amount (£'000)	Source based on reference. numbers/letters of the balance sheet in the audited financial statements
1	OWN FUNDS	2,094	
2	TIER 1 CAPITAL	2,094	
3	COMMON EQUITY TIER 1 CAPITAL	2,094	
4	Fully paid up capital instruments	350	Note 20
5	Share premium	0	
6	Retained earnings	1,744	Statement of Changes in Equity
7	Accumulated other comprehensive income	0	
8	Other reserves	0	
9	Adjustments to CET1 due to prudential filters	0	
10	Other funds	0	
11	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	0	
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 adjustments	0	

Table 2: Reconciliation of Regulatory Own Funds to Balance Sheet in the Audited Financial Statements

		Balance sheet -audited financial statements	Cross-reference to Table 1
		As at year end	As at year end
Assets - Breakdown by asset classes according to the balance sheet in the audited financial statements			
1	Intangible Assets	0	
2	Tangible Assets	126	
3	Investments	0	
4	Debtors: amounts falling due within one year	2,851	
5	Cash at bank and in hand	795	
	Total Assets	3,772	
Liabilities - Breakdown by liability classes according to the balance sheet in the audited financial statements			
1	Creditors: amounts falling due within one year	1,678	
2	Creditors: amounts falling due after one year	0	
	Total Liabilities	1,678	
1	Share Capital	350	4
2	Retained Earnings	1,744	6
	Total Shareholders' equity	2,094	

The Firm's Common Equity Tier 1 capital includes 3,500 ordinary shares of £100 each, with an aggregate nominal value of £350,000. The ordinary shares have full voting rights and dividends are payable at the discretion of the Firm. The Firm has no Additional Tier 1 or Tier 2 capital instruments in issue.

5. OWN FUNDS REQUIREMENT (MIFIDPRU 8.5)

5.1 K-Factor Requirement and Fixed Overheads Requirement

The table below sets out the Firm's K-Factor Requirement ("KFR") and Fixed Overheads Requirement ("FOR"), calculated in accordance with the FCA's MIFIDPRU prudential framework.

The K-Factor Requirement reflects the nature, scale and complexity of the Firm's regulated activities. The Firm's K-Factor Requirement is driven solely by K-AUM, as the Firm does not undertake activities that give rise to other K-Factors.

The Firm's Own Funds Requirement is determined in accordance with MIFIDPRU 4.3 and is the highest of its Permanent Minimum Capital Requirement, Fixed Overheads Requirement and K-Factor Requirement.

As at 31 December 2025, the Fixed Overheads Requirement of £568k exceeded both the Firm's K-Factor Requirement and its Permanent Minimum Capital Requirement and therefore represented the Firm's binding Own Funds Requirement.

Throughout the financial year ended 31 December 2025, the Firm maintained Own Funds in excess of its Own Funds Requirement at all times.

Table 3: KFR and FOR

Item		Amount (GBP thousands)
K-Factors	K-AUM: 229, K-CMH: 0, and K-ASA: 0	229
	K-DTF and K-COH	0
	K-NPR, K-CMG, K-TCD and K-CON	0
Fixed Overheads Requirement ("FOR")		568

As at 31 December 2025, the Firm's Own Funds Requirement is £568k, as the Fixed Overheads Requirement exceeds both the K-Factor Requirement and the Permanent Minimum Capital Requirement.

5.2 Approach to assessing the adequacy of Own Funds

Under IFPR, the Firm is required to assess its capital and liquidity requirements to ensure compliance with the Overall Financial Adequacy Rule ("OFAR"). This is performed on an ongoing basis by looking at all capital requirements, which includes the Own Funds calculations as set out above, the ICARA assessments and wind down calculations, as well as monitoring levels of liquid funds against both FCA and internal risk tolerance thresholds.

ICARA assessments of capital needed to mitigate harms to client, firm and markets are performed using a combination of scenario-based capital models, stress tests using 'severe but plausible' events, and a wind-down assessment that demonstrates the Firm has sufficient capital and liquid resources to wind down its regulated activities in an orderly manner.

Liquid funds monitoring is performed using forward-looking assessments, as well as liquidity-specific stress tests to calibrate internal thresholds.

The Firm has remained compliant with OFAR requirements.

6. Remuneration Disclosure (MIFIDPRU 8.6)

6.1 Introduction

The MIFIDPRU Remuneration Code applies to TAM as a non-SNI firm, under SYSC 19G of the FCA Handbook. This code entails specific rules governing the remuneration policies and practices of staff whose professional activities significantly impact the risk profile of the Firm or the assets it manages, termed Material Risk Takers (MRTs). However, it is important to note that SYSC 19G applies to all staff, while also establishing specific requirements for the variable pay of MRTs. The disclosure provided here pertains to the qualitative and quantitative information for the year ending 31 December 2025.

6.2 Remuneration philosophy

TAM's remuneration philosophy is deeply rooted in our culture of integrity, professionalism, and client focus. We seek individuals who not only possess the necessary skills but also demonstrate risk mindfulness and a commitment to upholding our values. Our aim is to foster an environment where employees are not only successful but also conduct themselves with the highest ethical standards. The remuneration structure is crafted to attract and retain individuals who align with our culture and conduct principles, ensuring that our team is dedicated to serving clients with excellence and integrity.

The Firm takes into consideration the guidance set out by the FCA when determining its approach to remuneration for all staff. We recognise that fixed and variable components of staff remuneration must be appropriately balanced to mitigate conflicts of interest between staff incentives and the best interests of our customers. To this end, the Firm has constraints in place that promote sound decision-making.

To provide clarity and enhance our commitment to effective remuneration practices, we outline the objectives of the Firm's financial incentives, which include:

- Promoting sound and effective risk management in the long-term interests of the Firm and our customers.
- Limiting risk-taking and avoiding conflicts of interest.
- Ensuring alignment between risk and individual reward.
- Supporting positive behaviours and fostering a healthy firm culture.
- Encouraging responsible business conduct.
- Discouraging behaviour that can lead to misconduct and poor customer outcomes.
- Aligning employees' interests with the Firm's long-term strategy and objectives.
- Being gender neutral, in line with the Equality Act 2010.

We believe that by articulating these objectives, we can further enhance our remuneration philosophy and its alignment with our overall strategic goals.

6.3 Remuneration governance

The Firm is not required to establish a Remuneration Committee by virtue of the exclusion in MIFIDPRU 7.1.4R. Nevertheless, the Firm ensures that its remuneration policies and practices are consistent with and promote sound and effective risk management and are aligned with the long-term interests of the business.

The Firm applies the principle of proportionality under SYSC 19G and, on this basis, does not apply deferral, retention, or instrument-based remuneration requirements.

6.4 Remuneration – general principles

When determining remuneration levels, TAM considers both qualitative and quantitative factors. The different components of remuneration include:

- **Fixed Remuneration:** This includes salaries, regular and non-discretionary pension contributions.
- **Variable Remuneration:** This encompasses discretionary bonus awards and other performance-related incentives.

Financial metrics such as overall firm performance and business unit contributions, along with non-financial measures like individual conduct, client focus, and risk awareness, play integral roles in this evaluation process.

TAM's approach to remuneration is straightforward yet carefully structured, with risk considerations embedded in the overall operations. Individual compliance reviews contribute to the assessment process, ensuring that remuneration aligns with the Firm's objectives and risk profile.

Remuneration for all staff, including Material Risk Takers (MRTs), may consist of both fixed pay and performance-related discretionary bonuses. MRTs are identified according to the criteria set out in SYSC 19G, while the TAM Board retains the discretion to designate other employees whose roles may significantly impact the Firm's risk profile.

The Board is committed to considering risk factors throughout the remuneration process, ensuring that incentives support long-term value creation without encouraging excessive risk-taking.

6.5 Risk adjustment of variable remuneration

Variable remuneration is discretionary and there is no entitlement to an award. In determining variable remuneration, the Firm considers the performance of the Firm, the relevant business area and the individual, using both financial and non-financial criteria. Non-financial considerations include conduct, regulatory compliance, client outcomes and adherence to the Firm's values.

The assessment of variable remuneration takes account of current and future risks and the Firm's capital position. Variable remuneration may be reduced or not awarded where financial performance is poor or negative, or where risk, compliance, conduct or client-outcome considerations do not support an award.

6.6 Guaranteed variable remuneration and severance pay

The Firm did not award any guaranteed variable remuneration or severance pay during 2025.

6.7 Material Risk Takers

The remuneration of senior management and staff whose activities might have a material impact on TAM's risk profile is outlined below. The Firm identified four Material Risk Takers during 2025, all of whom were members of senior management. None of the remuneration is associated with share or share-linked compensation.

Remuneration Application

£'000	Senior Management	Other Material Risk Takers	All other staff
Total Fixed Remuneration (£'000)	573	-	689
Total Variable Remuneration (£'000)	60	-	77
Total Remuneration (£'000)	633	-	766