

MIFID Investment Firms Disclosure Report

(MIFIDPRU 8)

Overview

INTRODUCTION

This document sets out the public disclosures for Church House Investments Limited, as at 31 December 2025. Church House is authorised and regulated by the Financial Conduct Authority. The activities the Company performs fall within the scope of the UK Markets in Financial Instruments Directive (MiFID), meaning it is subject to the prudential requirements of the Investment Firms Prudential Regime and the related FCA rules in the "MIFIDPRU" sourcebook.

The provisions within MIFIDPRU 8 require us to make public disclosures, replacing the previous disclosure requirements set out in part 8 of the Capital Requirements Regulations (CRR).

FREQUENCY

The disclosure for Church House Investments Limited is prepared and published annually, alongside the Company's audited Annual Report and Financial Statements.

All figures are as at the Company's financial year end, 31 December 2025.

Governance

BOARD OF DIRECTORS

The Board is responsible for the overall management of the Company, including its strategic objectives and risk strategy.

The Board is additionally responsible for establishing and maintaining a robust system of internal governance controls and risk management, including operational, compliance and financial controls. Ongoing monitoring of the effectiveness of the controls is achieved with the assistance of various committees.

As at 31 December 2025, the Board of Directors was made up of the following individuals:

Senior Management Function (SMF)	Board Member	Number of other external directorships
Chair of Governing Body (SMF 9) Chair of the Risk Committee (Non-Executive Director)	Michael Baines	1
Chief Executive Officer (SMF 1)	Jeremy Wharton	2
Executive Director (SMF 3)	Roger Davis	2
Executive Director (SMF 3)	James Johnsen	2
Executive Director (SMF 3)	Rory Campbell-Lamerton	0
Executive Director (SMF 3)	Stephen Kershaw	0
Chair of the Audit Committee (Non-Executive Director)	Dominic Gibbs	15
Chair of the Remuneration Committee (Non-Executive Director)	Andrew Martin Smith	10
Chair of the Investment Committee (Non-Executive Director)	James Mahon	2

EXECUTIVE DIRECTORS

The Board has delegated the day-to-day management of the Company to the Chief Executive Officer, who is supported by the Executive Board of Directors:

Chief Executive Officer (SMF 1)	Jeremy Wharton
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Executive Director (SMF 3)	Roger Davis
Executive Director (SMF 3)	James Johnsen
Executive Director (SMF 3)	Rory Campbell-Lamerton
Executive Director (SMF 3)	Stephen Kershaw

BOARD COMMITTEES

The Board has three main committees: the Audit Committee, the Risk Committee and the Remuneration Committee.

Chair of Audit Committee	Dominic Gibbs
Chair of Risk Committee	Michael Baines
Chair of Remuneration Committee	Andrew Martin Smith
Chair of Investment Committee	James Mahon

Audit Committee

The Audit Committee has four main objectives:

1. *Financial Reporting: to review and challenge –*
 - a. *the consistency and any changes to the accounting policies,*
 - b. *that the Company has followed appropriate accounting standards*
 - c. *the clarity of disclosure in the Company's financial reports*
 - d. *all material information presented with the financial statements*
2. *Internal controls and risk management – the Committee shall*
 - a. *Keep under review the adequacy and effectiveness of the Company's internal financial controls and internal control & risk management systems*
 - b. *Review and approve the statements to be included in the director's annual report about internal controls and risk management*
3. *Compliance, whistleblowing and fraud – the Committee shall:*
 - a. *review the adequacy and security of the Company's arrangements for its employees and its contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters.*
 - b. *review the Company's procedures for detecting fraud, and*
 - c. *review the Company's systems and controls for the prevention of bribery and receive reports on non-compliance*
4. *External audit – the Committee shall:*
 - a. *Consider and make recommendations to the Board in relation to the appointment, reappointment and removal of the Company's external auditor*
 - b. *Review and monitor the external auditor's independence, objectivity and effectiveness of the audit process*
 - c. *Oversee the relationship with the external auditor*

Risk Committee

The Risk Committee's main objective is to develop the strategic risk view of the Company, including:

1. Identification and monitoring of risks facing the Company, both current and likely future risks, and an assessment of the controls and adequacy of the mitigation employed
2. Development and updating of Company's Risk Landscape
3. Development and updating of the risk management framework of the Company
4. Definition, development and testing of the risk appetite/tolerance processes for approval by the Board
5. Review, challenge and approve the risk management controls
6. Development of internal capital adequacy and risk assessment (ICARA) process
7. Oversight and approval of stress testing employed within ICARA
8. Assessment of capital adequacy requirements and any variances due to changing trading conditions
9. Develop and maintain Board and Senior Management awareness of risk management practices and issues

Investment Committee

The Investment Committee reviews and assesses the management of investment risk within the CH Funds for which the Company is the appointed investment adviser, and the maintenance and ongoing suitability of the CH risk models to meet the investment needs and objectives of our private clients.

The Committee also oversees the application of the investment policies and, in particular, the role of the Company as a signatory to the Stewardship Code.

Remuneration Committee

The Remuneration Committee is responsible for overseeing the implementation of CHI's remuneration policies and practices, which cover all aspects of remuneration and all staff.

The Committee is also responsible for the oversight of the remuneration of staff engaged in *control functions* (including risk management, compliance and internal audit). Such staff must be independent of the business units they oversee, have appropriate authority, and be remunerated in accordance with the objectives linked to their functions, independent of the performance of the business areas they control.

DIVERSITY

The Board recognises the need for diversity within the Company's management body. It is the Board's policy that all appointments are made on merit, in line with the skills, knowledge and experience the business requires. The selection process takes into account broader diversity to ensure a balanced composition of the Board and other management committees.

Own funds – capital resources

The Company's own funds comprise entirely of Common Equity Tier 1 (CET 1) capital, which is the most robust category of financial resources.

COMPOSITION OF THE COMPANY'S REGULATORY OWN FUNDS AS AT 31 DECEMBER 2025

Table OF1

	<i>Item</i>	<i>Amount (GBP thousands)</i>	<i>Source based on reference numbers of the balance sheet in the Company's audited financial statements</i>
1	OWN FUNDS	3,857	
2	TIER 1 CAPITAL	3,857	
3	COMMON EQUITY TIER 1 CAPITAL	3,857	
4	Fully paid up capital instruments	303	Note 21
5	Share premium	200	Note 20
6	Retained earnings	3,352	Note 20
7	Accumulated other comprehensive income	204	
8	Other reserves	2	Note 20
9	Adjustments to CET1 due to prudential filters	-	
10	Other funds	-	
11	TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	-	
20	ADDITIONAL TIER 1 CAPITAL	0	
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	0	
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	-	

RECONCILIATION OF REGULATORY OWN FUNDS TO BALANCE SHEET IN THE AUDITED FINANCIAL STATEMENTS

The table below presents a reconciliation of the Company's own funds to the Company's audited balance sheet as at 31 December 2025.

Table OF2

		a	b	c
		Balance sheet as in published/audited financial statements	Under regulatory scope of consolidation	Cross reference to Table OF1
As at period end		31 December 2025 (thousands)	31 December 2025 (thousands)	
Assets				
Breakdown by asset classes according to the balance sheet in the audited financial statements				
1	Tangible	136		
2	Investments	1,443		
3	Debtors	1,819		
4	Cash	2,051		
5	Deferred Tax Assets	28		
	Total Assets	5,475		
Liabilities				
Breakdown by asset classes according to the balance sheet in the audited financial statements				
1	Creditors	1,620		
	Total Liabilities	1,620		
Shareholders' Equity				
1	Share Capital	303		Item 4
2	Share Premium	200		Item 5
3	Redemption reserve	2		Item 6
4	Retained Earnings	3,352		Item 6
	Total Shareholders' Equity	3.857		

OWN FUNDS: MAIN FEATURES OF OWN INSTRUMENTS ISSUED BY THE COMPANY

Table OF3

<i>Issuer</i>	<i>Church House Investments Limited</i>
Public or private placement	Private
Instrument type	Ordinary shares
Amount recognised in regulatory capital (£ thousands)	303
Issue price	£0.10
Accounting classification	Share capital
Original date of issuance	24 February 1999
Perpetual or dated	Perpetual
Maturity date	N/A
Issuer call subject to prior supervisory approval	N/A
Option call date	N/A
Coupon/Dividends	Discretionary dividends
Fixed or floating dividend/coupon	N/A
Coupon rate	N/A
Existence of a dividend stopper	N/A
Convertible or non-convertible	N/A
Write-down features	N/A
Link to the terms and conditions of the instrument	N/A

Own Funds Requirement

K-FACTOR REQUIREMENT AND FIXED OVERHEAD REQUIREMENT

The Firm's Own Funds Requirements are determined as the highest of the following three requirements under MIFIDPRU 4.3.2 R:

1. Permanent Minimum Capital Requirement (PMR) – £150k (MIFIDPRU 4.4R)
2. Fixed Overheads Requirement (FOR) – £1.765m, one quarter of the Firm's annual fixed overheads (MIFIDPRU 4.5.1.R)
3. K-factor requirements – (k-AUM) + (k-COH) + (k-COH) – £458k - a breakdown of which is provided below.

The Firm's Own Funds Requirements are therefore determined by the FOR, i.e. £1.765m, which is the highest of these three.

K-Factor requirement

<i>Item</i>		<i>£ thousands</i>
1	K-AUM – Assets Under Management	297
2	K-ASA – Assets Safeguarded & Administered	161
3	K-COH – Client Orders Handled	2

Fixed overheads requirement

	Fixed overheads requirement	1,765
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Approach to assessing adequacy of own funds

The Company holds own funds and liquid assets which are adequate, in both amount and quality, to confirm that it meets the Overall Financial Adequacy Rule, which requires that a firm must ensure that:

- it remains financially viable throughout the economic cycle with the ability to address any material potential harm that may result from its ongoing activities, and
- it can wind down its business in an orderly manner, minimising harm to consumers or other market participants.

This forms part of the Company's internal capital adequacy and risk assessment (ICARA) process, which forms part of its overall risk management framework. This provides the Executive Directors and the Board with the tools to assess and quantify the financial risks taken by the Company, the methods and controls to mitigate these risks and whether the Company has sufficient resources to withstand such risks, should they materialise.

A range of stress and scenario tests have been considered to represent real and plausible events to assess and quantify the capital and liquidity requirements which the Company will need to remain a going concern and to meet its own stated risk appetite.

The ICARA process is reviewed and challenged by the Board at least annually.

Remuneration Policy and Practices

MIFIDPRU REMUNERATION CODE

In accordance with the MIFIDPRU Remuneration Code, which applied from 1 January 2022, the Company's Remuneration Policy implements the standards and requirements for non-SNI MIFIDPRU Investment Firms.

REMUNERATION COMMITTEE

The Remuneration Committee oversees the implementation of the Company's remuneration policy and practices. It reports to the Board.

REMUNERATION POLICY

The remuneration policy of the Company has the following features:

- It is appropriate and proportionate to the nature, scale and complexity of the risks inherent in the Company's business model and activities;
- It is gender neutral and complies with the Equality Act 2010, such that pay and all other contractual terms, including variable remuneration, are equal irrespective of gender;
- It is consistent with and promotes sound and effective risk management;
- It is in line with the Company's business strategy, objectives and long-term interests, including:
 - Company's risk appetite and strategy, including ESG risk factors;
 - Company's culture and values; and
 - The long-term effects of the investment decisions taken;
- It contains measures to avoid conflicts of interest, encourages responsible business conduct and promotes risk awareness and prudent risk-taking.

The Company has a low risk appetite. As a limited licence firm, the Company has no ability to undertake proprietary trading and therefore does not take principal positions with its own capital. The Company does not lend and so not subject to credit risk. The main risks that the Company is subject to are market, operational and reputational, which are accounted for in the design of the remuneration structure. Employees are not rewarded through schemes that encourage product bias or that are based on accelerated bonus rates or thresholds being met.

The Company operates a tier-based remuneration system comprising of:

- **Fixed Remuneration** consisting of a salary and other benefits, such as private medical and life assurance cover, which do not vary with individual performance against objectives
- **Variable Remuneration** comprising of a single year discretionary variable cash bonus and, for some fund managers and the sales team, a bonus scheme based on fund performance or sales income generated.

The proportion of an employee's remuneration that is fixed or variable will depend on the employee's role and the bonus scheme to which they belong. The bonus schemes will determine the level of variable remuneration that the employee will receive.

Fixed remuneration primarily reflects each staff member's professional experience and organisational responsibility, as detailed in their job description and terms of employment. It is permanent, predetermined, non-discretionary, non-revocable, and not dependent on performance.

Variable remuneration is based on performance, reflecting the employee's long-term performance as well as performance beyond the job description and terms of employment, and may include discretionary pension benefits and carried interest (where relevant). It is based on a combination of the assessment of the performance of the individual, the business unit concerned and the overall results of the Company.

Assessment of performance is part of a multi-year framework that ensures performance is assessed on a longer-term basis, and that performance-based remuneration is spread over a period that takes into account the Company's business cycle and its business risks. The assessments consider both financial and non-financial criteria, including:

- Building and maintaining positive customer relationships and outcomes;
- Performance in line with strategy or values (such as displaying leadership, teamwork or creativity);
- Adherence to the Company's risk management and compliance policies;
- Achieving targets related to ESG and diversity & inclusion.

Material risk takers

The Company has identified the following employees as material risk takers:

- Executive Directors of the Board
- Members of the Executive Management Committee
- Employees with Senior Management Functions

QUANTITATIVE REMUNERATION

The remuneration awarded to Company employees for the year 2025 amounted to:

<i>Remuneration</i>	<i>£ thousands</i>
Total Remuneration to all Employees	£4,609
Fixed Remuneration	£3,385
Variable Remuneration	£1,224

The Company has a total of seven material risk takers. The remuneration for the material risk takers for the year 2025 was:

<i>Remuneration</i>	<i>£ thousands</i>
Total Remuneration for Material Risk Takers	£1,615
Fixed Remuneration	£1,019
Variable Remuneration	£ 836