

cardano

# Cardano Advisory Limited

MIFIDPRU 8 Disclosure 2025



## Introduction

This disclosure document is prepared by Cardano Advisory Limited and will be reviewed and updated on at least an annual basis. This document reflects the MIFIDPRU 8<sup>1</sup> requirements as apply to Cardano Advisory Limited in respect of financial year end 31 December 2024.

## Background to Cardano

Founded in the Netherlands in 2000, the Cardano Group now has over 500 staff with backgrounds in the areas of risk management, investment management, research, actuarial, pensions covenant advice and investment advisory. Following a successful first seven years during which Cardano became the leaders in the area of risk management in the Netherlands, Cardano expanded to the UK during 2007.

Since inception, Cardano has grown into a provider of a range of advisory and investment management services. In addition to Cardano Investment and Cardano Advisory businesses, Cardano is the home of NOW: Pensions one of the UK's largest workplace pension providers and Cardano Asset Management (formerly ACTIAM) the Dutch sustainable investing specialist.

Cardano Advisory Limited services over 300 clients with combined scheme assets of over £340bn. Providing corporate finance, M&A and restructuring advice, in addition to a full range of covenant advisory services for UK occupational defined benefit pension schemes which includes sustainability integration.

During October 2024 the Cardano Group was acquired by Marsh & McLennan's Mercer<sup>2</sup>, the integration is ongoing. The Remuneration Policy and practices detailed in this document apply to the 2024 and 2025 pay periods.

## Regulatory Context

Cardano Advisory Limited is a MIFID firm and therefore subject to MIFIDPRU, classified as a small and non-interconnected MIFIDPRU investment firm ("SNI investment firm"). As an SNI investment firm that does not have addition tier 1 instruments in issue, Cardano Advisory Limited is only required to disclose in line with the requirements of specific parts of MIFIDPRU 8.6 – Remuneration Policies and Practices. All other parts of MIFIDPRU 8 do not apply.

Cardano Advisory Limited is subject to the MIFIDPRU Remuneration Code as set out in SYSC 19G to the extent that it is applicable to SNI investment firms. Cardano Advisory Limited is not required to operate a Remuneration Committee.

Cardano Advisory Limited is part of an investment firm group subject to MIFIDPRU Chapter 2. The consolidated situation consists of the UK parent entity and relevant financial undertakings. Cardano Holding Limited is a UK parent entity and an Investment Holding Company. Consolidation is undertaken at Cardano Holding Limited and includes its relevant financial undertakings - Cardano Risk Management Limited, Cardano Risk Management BV, Cardano Advisory Limited, Cardano Nederland BV and Cardano Asset Management NV. This requires Cardano Holding Limited to meet the consolidated own funds requirement and core liquid assets requirement.

Cardano Advisory Limited has regulatory permissions to provide services to Professional clients with respect to advising and arranging. These permissions relate to certain MiFID financial instruments and

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<sup>1</sup> [MIFIDPRU 8](#) of the FCA Handbook.

<sup>2</sup> [Marsh McLennan's Mercer completes acquisition of Cardano](#)

also insurance products categorised as life policies. Cardano Advisory Limited is supervised as part of the FCA Wholesale Broker Portfolio.

## Remuneration Policies and Practices

1. The Cardano Advisory Limited Remuneration Policy takes into account the remuneration requirements as apply to UK MiFID firms. These requirements are designed to ensure that the remuneration policies and practices of MiFID investment firms; are aligned with their risk profile, risk appetite, business strategy and long-term interests of the firm, and, that they do not encourage employees to take risks that run counter to their firm's long-term interest.
2. Cardano Advisory Limited acknowledges the importance of a well-designed remuneration policy that supports the business strategy and is fully aligned with its clients' interests. The Cardano Advisory Limited Remuneration Policy has been consciously designed to provide a market competitive long-term financial incentive to staff, as well as linking variable compensation directly to the strategic objectives of our clients.
3. The Remuneration Policy is applied on a gender-neutral basis.
4. The identified key criteria for sustainable success are:
  - ability to attract and retain top quality staff on a long-term basis;
  - aligning the interests of staff with clients;
  - strong internal risk control framework to minimize operational risk; and
  - an internally set minimum level of capital which exceeds the regulatory requirement.
5. The Board is responsible for implementing the remuneration policy, sets the remuneration strategy, adopts its remuneration policy, and periodically reviews the remuneration policy to ensure it continues to reflect their strategy and regulatory requirements.
6. The group Remuneration Committee is responsible for updating and approving the Remuneration Policy and ensuring awards are in line with the Policy. The Remuneration Policy is reviewed annually in conjunction with Compliance to ensure that it continues to adhere to regulatory requirements and its application is monitored by the Group Remuneration Committee.
7. Remuneration of senior officers in the Risk and Compliance functions is directly overseen by the Local Management Board and the Directors of Cardano Holding Limited. Employees engaged in control functions are independent from the business units they oversee and remunerated in line with the achievement of objectives linked to their functions, independent of the performance of the business areas they control. To ensure that the method of determining remuneration for individuals involved in the Risk and Compliance functions does not compromise the objectivity of those individuals, variable compensation for such employees is not based on the performance of the business units they oversee.
8. Cardano Advisory Limited's employee remuneration structure includes:
  - Base salary / fixed remuneration
  - Secondary benefits
  - Variable compensation
9. All Cardano Advisory Limited employees receive a salary at levels that conform with market practice for their positions. All permanent employees are eligible to receive variable remuneration.
10. A proportion of revenue is allocated to the Cardano Advisory Limited Profit Sharing Pool. The threshold over which revenue is allocated to the pool is set each year and takes into account operating costs and Cardano Group return requirements.

11. The total amount of remuneration awarded to all Cardano Advisory Limited employees in respect of the 2024 pay period was:
  - £8,518,110 fixed remuneration; and
  - £2,493,932 variable remuneration.
12. Variable remuneration awards are conditional, discretionary and contingent upon a sustainable and risk-aware performance. The proportion of variable to fixed remuneration will be appropriately balanced to ensure poor conduct is not driven by variable remuneration awards. The fixed component represents a sufficiently high proportion of the total remuneration to enable the operation of a fully flexible policy on variable remuneration, including the possibility of paying no variable remuneration component.
13. The Cardano Advisory Limited Board has the option to defer an element of the Profit Sharing Pool. This enables the Profit Sharing Pool and variable remuneration awards to reflect the performance of the business over time. This is a multiyear framework based on long-term performance that takes account of the business cycle and business risks.
14. The Cardano Advisory Limited Pay Committee determines the profit sharing pools made available to the different grades and may make a recommendation to defer a proportion of the profit sharing pool to be used in the following year.
15. Certain Cardano Advisory Limited employees are subject to deferral of a percentage of variable remuneration.
16. Variable compensation including any deferred portions will only be paid where the financial situation of Cardano Advisory Limited is sustainable and will always be reduced during the pay period or between being awarded and paid where:
  - there is reasonable evidence of employee misbehaviour or material error, or
  - the group or the relevant business unit suffers a material downturn in its financial performance;
  - or
  - the group or the relevant business unit suffers a material failure of risk management.
17. Variable compensation awards will be based on the performance of the individual, will reflect their long-term performance and performance in excess of their job description and terms of employment, will only be paid where this is sustainable according to the financial situation of Cardano Advisory Limited and justified according to the performance of the firm, the business unit and the individual concerned.
18. Performance of individuals is assessed against the objectives set for the individual at the beginning of the year and also performance against peer group. Objectives will be a combination of personal objectives and the business objectives are set for each grade.