

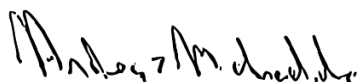
# LMAX Broker Europe Limited

*Authorised and Regulated by the Cyprus Securities and Exchange Commission*

*Licence Number 310/16 Company Registration Number 346613*

## IFR Disclosures

**As of 31 December 2024**



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Andreas Michaelides

Executive Director

### DISCLAIMER

**The information contained in this disclosure has not and is not required to be audited by the Company's external auditors and does not constitute any form of financial statement.**



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## Introduction

### 1. Purpose

- 1.1. The purpose of this report is to set out the information that LMAX Broker Europe Ltd (“LMEU”) is required to publicly disclose in accordance with the disclosure requirements set out in Part Six of Regulation (EU) 2019/2033 on the prudential requirements of investment firms (IFR).
- 1.2. Public reporting of meaningful, harmonised information on risks to firms’ financial position, capital and liquidity allows users of the information to compare the risk profile of investment firms and make informed decisions.

### 2. Scope

- 2.1. This report covers LMAX Broker Europe Limited (“the Firm” or “LMEU”), a Cyprus Investment Firm (“CIF”), authorised and regulated by the Cyprus Securities and Exchange Commission (“the CySEC”) under CIF licence number 310/16.
- 2.2. This report is prepared on an individual basis.
- 2.3. Unless otherwise stated, all figures in this report are based on the audited Annual Reports as of 31 December 2024 and reported in Euros.

### 3. Applicable Regulation

- 3.1. The Firm is regulated as a MiFID investment firm under MiFID II and is prudentially supervised under the EU Investment Firm Regulation and Directive (IFR/IFD), which has been transposed into local law in Cyprus through L. 165(1)/2021.
- 3.2. The provisions on disclosure are contained in Articles 46 to 53 of IFR. LMEU is classified as a class 2 investment firm. It is therefore required, under Article 46 Paragraph 1 of IFR, to publicly disclose all of the information specified in Part Six of IFR. It must do so on the same date as it publishes its annual financial statements and include a cross-reference to these disclosures within its financial statements. This includes disclosures on:
  - Capital resources
  - Capital requirements
  - Remuneration policies and practices
  - Risk management policies and Governance arrangements
- 3.3. The provisions on internal governance, transparency, treatment of risks and remuneration contained in Articles 25 to 35 of IFD are also applicable to LMEU since it is a class 2 investment firm.
- 3.4. The EBA’s Final Draft ITS on reporting and disclosures for investment firms specifies templates for harmonised disclosure of own funds in accordance with Article 49 of IFR. The templates found in Annex VI and VII have been used within this document as required.  
<https://www.eba.europa.eu/regulation-and-policy/supervisory-reporting/technical-standards-reporting-and-disclosures-requirements-investment-firms>

### 4. Means of Disclosures

- 4.1. In accordance with Article 46 of the IFR, this report is made publicly available on request via the Firm’s website in the ‘Policies’ section at <https://www.lmax.com/global/eu/new-clients>.

## 5. Business Overview

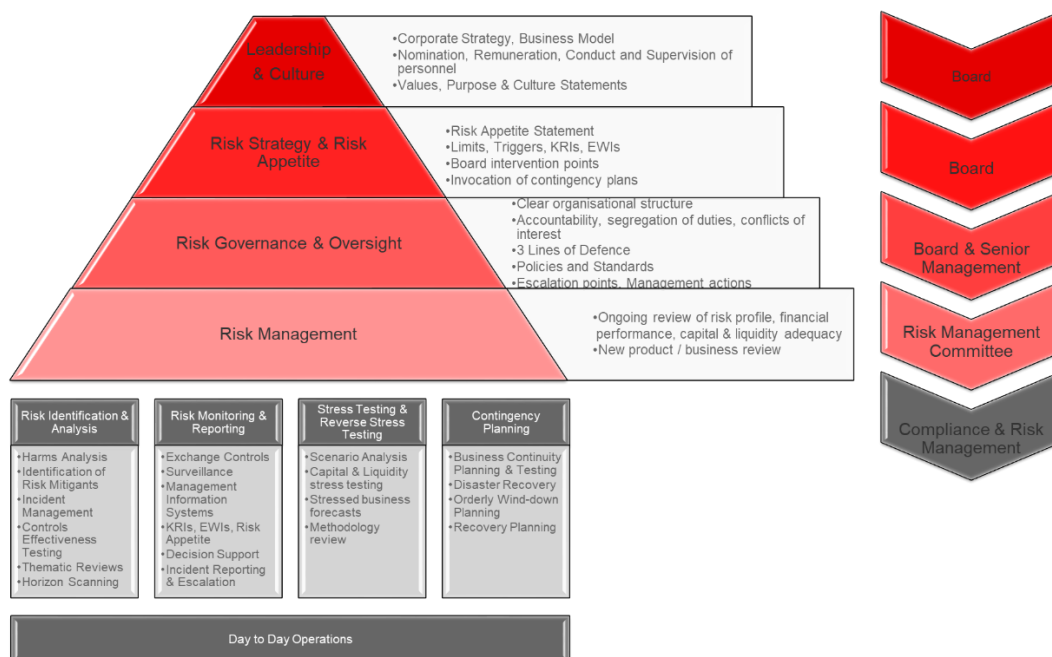
- 5.1. LMAX Broker Europe Limited is a wholly owned subsidiary of LMAX Exchange Group Limited ("LMAX Group").
- 5.2. LMEU enables its clients to trade via LMAX Broker Limited, who obtains firm liquidity from LMAX Exchange and LMAX Multilateral Trading Facility (MTF). These venues offer no last look execution where orders are matched on a price-time priority basis. Its target market is predominantly professional and institutional clients in the EEA.
- 5.3. LMEU offers precise execution and a level playing field for its customers. Customers benefit from low latency trading with an average trade execution speed of fewer than 4 milliseconds in over 70 Spot FX pairs, major Equity Index CFDs and commodity CFDs.
- 5.4. LMEU offers a range of connectivity options for customers seeking firm liquidity with clearing. These include direct cross-connect at Equinix LD4, NY4 and Equinix TY3, Extranet, and the Internet. Customers can also have access to LMAX Exchange and LMAX MTF liquidity through API connections (Java or .Net API, Fix 4.4), as well as a selection of MT4 bridges, LMAX UI and several turnkey broker solutions.
- 5.5. LMEU operates a sales-led distribution strategy with a focus on liquid foreign exchange products. LMEU has an experienced sales team and aims to grow its presence in the Republic of Cyprus and the wider European Union.

## Risk Management Framework

### 6. Overview

- 6.1. The Firm has in place an established Risk Management Framework (RMF) encompassing all risks, which is summarised in the diagram below.

#### Risk Management Framework



- 6.2. The RMF begins with the Firm's leadership, culture and values, with the tone set from the top.
- 6.3. The Firm's strategic objectives and risk appetite are set by the Board concomitantly. The Risk Appetite sets out the level of risk that it is willing to undertake in pursuit of its strategic business objectives. Risk Appetite Statements are discussed further in chapter 7.
- 6.4. Internal governance arrangements are further described in chapter 8.
- 6.5. The strategies and processes employed in the day-to-day management of risk are described in chapter 9.

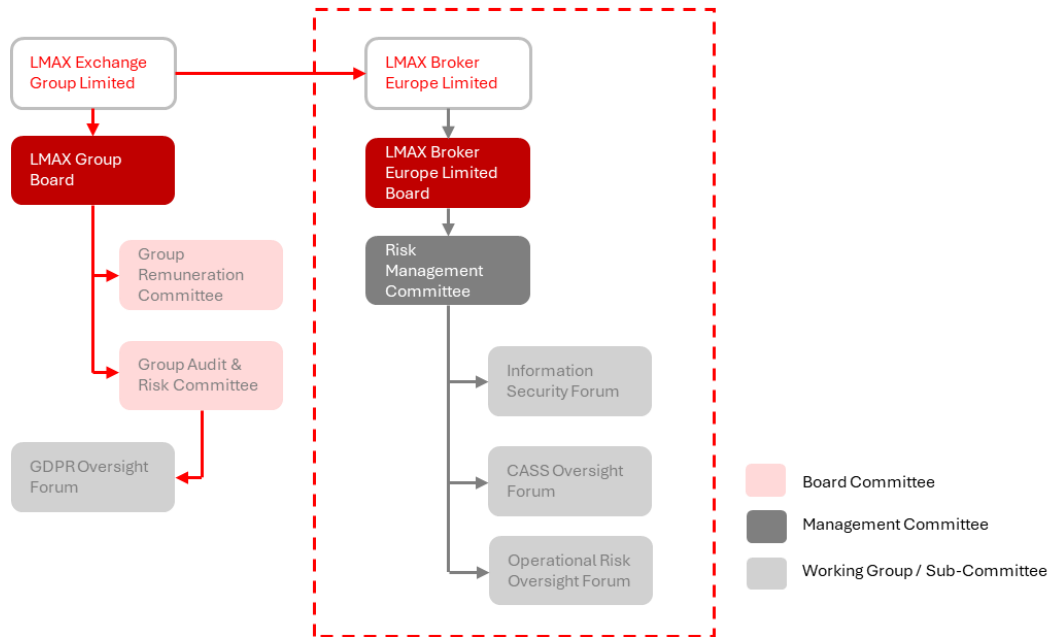
## 7. Risk Appetite

- 7.1. The Risk Appetite Statement is an expression of the type and amount of risk the firm is prepared to take in pursuit of its strategic objectives. It promotes consistent, 'risk- informed' decision-making aligned with strategic aims and supports robust corporate governance by setting clear risk-taking boundaries.
- 7.2. The Risk Appetite Statements, limits and early warning indicators are reviewed at least annually, or more often as deemed appropriate, as part of the ICARA process and approved by the Board.
- 7.3. Risk Appetite Statements for the principal risks are outlined below.

Principal Risk	Risk Appetite Statement
Liquidity Risk	The Firm must at all times hold sufficient liquid assets, quantity and quality, as assessed through its ICARA process, and at least to cover its Liquid Assets Threshold Requirement.
Capital Adequacy	The Firm must at all times hold sufficient capital, quantity and quality, as assessed through its ICARA process.
Operational Risk	The Firm must ensure it has adequate systems and controls to prevent material operational losses from occurring.
Business & Strategic Risk	The Firm is willing to take risks on new products and business lines to achieve growth and drive profitability over the long-term, while maintaining the firm's financial resilience. The Firm will only engage in activities that are aligned to the company's desired risk profile and long-term strategy. The Firm must align its business plan to ensure it can meet its strategic objectives. The Firm must ensure variations in its business performance versus the plan do not deviate above acceptable levels.
Conduct Risk	Issues that may result in harm to customers or markets will be monitored closely. The firm strives to promote good behaviour across all aspects of the organisation and develop a culture in which it is clear there is no room for misconduct.
Reputational Risk	The Firm's appetite for reputational risk is low. The Legal & Compliance Function keep a daily watching brief for reputational issues. Additionally, the Firm undertakes to: Offer access only to appropriate customers (in terms of their means and the absence of any links to money laundering, fraud and terrorist financing) and; Only accept broker customers from jurisdictions where LMAX knows it is legal to do so.

## 8. Governance Arrangements

- 8.1. The Group and LMAX Broker Europe Ltd committee structures are shown in the diagram below.



## The Board of Directors

8.2. The Board of Directors ("the Board") is responsible for:

- Establishing the Company's business strategy and risk appetite
- Reviewing and approving the firm's risk policies at least annually
- Reviewing the adequacy of the firm's governance arrangements
- Reviewing and overseeing the implementation of remuneration policy
- Assessing the firm's capital adequacy, at least on an annual basis, through the Internal Capital Adequacy and Risk Assessment (ICARA) Process.

8.3. Article 28 of IFD further describes the role of the Board in the risk management of the Firm.

### Selection of Board members

The Board of LMAX Broker Europe Ltd is comprised of individuals who are best able to discharge the duties and responsibilities of directors. LMAX Group recognises the benefits of diversity in the selection of its Boards, which bring a range of perspectives and insights for good and rounded decision making.

The composition, appointment, succession and effectiveness of the Board is reviewed annually and when a member of the Board steps down from the Board.

Individual Board members will complete a Fit and Proper assessment in order to conduct their role. They will also agree to responsibilities which defines the functions for which they are accountable.

Board members must:

- Be of sufficient good repute;
- Possess sufficient knowledge, skills and experience to perform their duties;
- Be sufficiently experienced to ensure the sound and prudent management of the firm
- Possess adequate collective knowledge, skills and experience to understand the firm's activities and risks;
- Reflect a broad range of experiences;
- Dedicate sufficient time to perform their functions for the firm; and

- Act with honesty, integrity and independence of mind to effectively assess and challenge the decisions of senior management where necessary and to effectively oversee the firm.

Board members complete training to ensure that they understand their responsibilities as a director as well as the LMAX Group Code of Conduct. Board members are also required to complete an annual minimum amount of Continued Professional Development.

Further, the Firm's Conflicts of Interest policy does not allow Board members to take up other director positions that could create a conflict.

#### Directorships held by members of the Board

8.4. Article 48 of IFR requires disclosure of the number of directorships held by members of the management body. This is shown in the table below as of 31 December 2024:

Name	Position at the Firm	Other Directorships (Executive)	Other Directorships (Non-Executive)
Andreas Wigstrom	Executive Director	1	0
Andreas Michaelides	Executive Director	0	0
Campbell Millar	Non-Executive Director	3	2
Andrea Melekki	Non-Executive Director	0	0
Christos Kone	Independent Non-Executive Director	0	1
Nikolas Xenofontos	Independent Non-Executive Director	1	1

#### **Board Risk Committee**

8.5. LMEU is not required to establish a Board Risk Committee since "the value of its on and off-balance sheet assets is on average equal to or less than EUR 100 million over the four-year period immediately preceding the given financial year" in accordance with Article 28 paragraph 4 of IFD.

#### **Risk Management Committee**

8.6. The LMEU Risk Management Committee reports to the Board and is responsible for:

- Identifying, assessing, managing and reviewing the risk exposures of the firm;
- Reviewing risk appetite and recommending changes to the Board;
- Reviewing the firm's governance and oversight arrangements are fit for purpose and meet legal and regulatory requirements;
- Reviewing and recommending to the Board to approve the firm's risk policies and risk register;
- Assessing and recommending to the Board to approve the firm's capital and liquidity adequacy, at least on an annual basis, through the ICARA process; and
- Keeping the Board informed of risk updates, matters for escalation and KRIs.

#### **Internal Capital Adequacy and Risk Assessment (ICARA) Process**

8.7. The adequacy of the Firm's risk management and governance is assessed annually, through the Firm's Internal Capital Adequacy and Risk Assessment (ICARA) Process and reviewed and approved by the Board.

8.8. The Firm has assessed that its risk management and governance is compliant with EU and CySEC regulatory requirements, including that:

- It has in place adequate governance and oversight, effective systems and controls in relation to risk management;
- It has in place appropriate strategies, policies and processes for identifying, measuring, monitoring and managing the risks faced it faces;
- It has sufficient capital to meet its regulatory and internal capital requirements; and
- It has sufficient liquidity to meet its obligations as they fall due.

## 9. Risk Management Strategies and Processes

- 9.1. For the purpose of this disclosure, the principal risks considered by the Firm are set out below, along with their definitions and how the risks arise in the business model.
- 9.2. A summary of the Firm's strategies and processes to manage the risks is provided in accordance with Article 47 of IFR. Risks not included below are either not applicable to the Firm or considered immaterial.

Risk Category and Definition		
Strategies and Processes to Manage the Risk	Risk Reporting and Measurement Systems	Risk Hedging and Mitigation Strategies
<b>Liquidity Risk</b> Liquidity risk is defined as the risk that the Firm, although solvent, either does not have sufficient liquid resources to meet its obligations as they fall due or can secure such resources only at excessive cost.		
LMEU's Risk Appetite Statement requires the Firm to hold sufficient cash to maintain its operations for one month, per IFR Article 13(1) and 43.  Client and corporate cash is managed and monitored by the Treasury department in line with policy and limits, including client money rules where applicable.	Internal systems allow for daily monitoring and reporting of client and corporate cash positions.	Liquidity Risk is a standing agenda item at the LMEU Operational Risk Committee.  Cash buffers are maintained in all operational currencies.  Early Warning Indicators, limits, management actions and escalation procedures exist at levels that ensure adherence with Board Risk Appetite.
<b>Credit and Counterparty Risk</b> Credit Risk is defined as the current or potential risk to earnings and capital arising from an obligor's failure to meet its contractual obligations.		
Counterparty Credit Risk is actively managed by the Risk department in line with Risk Appetite by utilising a combination of systematic and procedural controls designed to prevent any debt occurring.	Internal systems allow for real-time monitoring of client positions and margin cover.  A real-time risk management system is set up with systematic controls, including pre-trade risk checks, margin rate and position limits, real-time margin calculation and non-negotiable auto-liquidation.  Procedural controls include 24-hours risk monitoring, stress testing and scenario analysis to identify accounts that present greater credit risk.	Client collateral is managed actively to ensure sufficient margin is held on client trading accounts.  Where a client presents a greater risk, they will be called for further margin to increase the cover or alternatively reduce positions and effectively lower the gearing on the account.  A real-time risk management system issues automated margin deficit notifications and an auto-liquidation process exists to close client positions where the account balance does not cover running losses and margin requirements.



## Market Risk

Market Risk is defined as the risk of losses in on- and off-balance sheet positions arising from movements in market prices. Market Risk is sub-divided into Foreign Exchange Risk, Interest Rate Risk, Credit Spread Risk, Equity Risk and Commodity Risk.

LMEU operates on a matched principal basis, whereby client trades are hedged with LMAX Broker Ltd via a straight-through-processing mechanism. This ensures LMEU is always market risk neutral in its trading book.

Foreign Exchange Risk is applicable to LMEU as follows:

Since LMEU's cash margin from clients is materially in EUR and USD and its margin placed with its liquidity provider, LMAX Broker Ltd, is in USD, there is some small FX risk on balance sheet.

The risk is accepted as inherent in the business model and is considered small, nonetheless capital is held in line with Pillar 1 capital requirements for market risk.

## Operational Risk

Operational Risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. In line with Basel principles, this definition includes legal risk but excludes business and reputational risk.

Operational Risk is reviewed regularly by Department Heads and Senior Management

A Risk Register captures and quantifies operational risks and their likelihood and impact assessment

Core risks, potential threats, control and recovery measures are reviewed regularly throughout the business.

## Reputational Risk

Reputational Risk is defined as the risk arising from negative perception on the part of customers, counterparties, shareholders, investors, debt-holders, market analysts, other relevant parties or regulators that can adversely affect the Firm's ability to maintain existing, or establish new, business relationships and continued access to sources of funding

The Group's Risk Appetite Statement defines a low tolerance policy for reputational risk.

LMAX undertakes to:

- Offer access only to appropriate customers (in terms of their means and the absence of any links to money laundering, fraud and terrorist financing);
- Offer a margin policy that does not encourage reckless customer behaviour (to the extent LMAX can properly evaluate such circumstances);
- Treat customers fairly given their personal risk appetite and circumstances (as LMAX understands them); and
- Only accept customers from jurisdictions where LMAX knows it is legal to do so.

The Compliance and Legal Department keep a daily watching brief for reputational issues.

Reputational Risk is a standing agenda item at the LMEU Operational Risk Committee.

Escalation procedures exist for non-material and material breaches, including reporting of immediate concerns to the CEO and Board as the case determines.

## Business Risk

Business risk is defined as any risk to the firm arising from changes in its business, including the risk that the firm may not be able to carry out its business plan and its desired strategy.

LMEU's Risk Appetite Statement sets a tolerance for net revenues and EBITDA to be no more than 25% below budget.	Financial performance is reviewed against the business plan on a monthly basis.  The business plan is reviewed and approved by the Board semi-annually.	A breach of the Risk Appetite would trigger an immediate and thorough re-evaluation by the Board of the business plan.
<b>Conduct Risk</b>  Conduct risk is defined as any risk arising from the conduct of the firm's employees and representatives which can result in detrimental or negative outcome for the firm and its customers.		
LMEU adheres to LMAX Group's Code of Conduct (COCON), which defines individual conduct rules for its Senior Management and employees.  LMEU's Risk Appetite Statement sets a zero tolerance for poor conduct in contravention of COCON.	The LMAX Group keeps a watching brief for conduct issues.	Conduct Risk is a standing agenda item at the LMEU's Risk Management Committee.  Escalation procedures exist for conduct breaches, including reporting of immediate concerns to the CEO and Board as the case determines.  LMEU's Risk Management Committee take proactive actions to shape a positive company culture that incentivises and encourages good employee conduct.

## Capital Resources and Requirements

### 10. Own Funds

- 10.1. Common Equity Tier 1 (CET1) capital includes share capital, share premium, retained earnings and other reserves. Dividends within the year and foreseeable dividends are deducted from CET1 capital.
- 10.2. The deduction from CET1 capital for intangible assets relates to software costs.
- 10.3. LMEU does not have any Additional Tier 1 or Tier 2 capital instruments in issue.
- 10.4. The tables below provide details on the composition of regulatory own funds and a full reconciliation of regulatory own funds to the balance sheet in the audited financial statements, as required by Article 49 (1)(a) and in the prescribed templates (IF CC1 and IF CC2) provided in Annex VII of the EBA Final Draft ITS on Reporting and disclosures for investment firms.

EU IF CC1 Template	Own Funds (€'000)	Dec-24	Source based on reference numbers/letters of the balance sheet in the audited financial statements	Dec-23
2	<b>Tier 1 Capital</b>	<b>1,860</b>		<b>1,965</b>
3	<b>Common Equity Tier 1 Capital (CET1)</b>	<b>1,860</b>		<b>1,965</b>
4	Fully paid-up capital instruments	1,245	Shareholder's equity (Line item 1): Share capital	1,245
5	Share premium	1,075	Shareholder's equity (Line item 2): Share premium	1,075

6	Retained earnings from previous years	(705)	Shareholder's equity (Line item 4): Accumulated losses	(592)
8	Other reserves	250	Shareholder's equity (Line item 3): Capital reserve	250
12	Total deduction from CET1: Other intangible assets	(5)		(13)
<b>28</b>	<b>Additional Tier 1 Capital (AT1)</b>	-		-
<b>40</b>	<b>Tier 2 Capital</b>	-		-

EU IF CC2 Template	Assets - Breakdown by asset classes according to the balance sheet in the published/audited financial statements	Balance sheet as in published/audited financial statements (€'000)	Cross reference to EU IF CC1
1	Property, plant and equipment	17	
2	Right-of-use assets	82	
3	Intangible assets	1	
4	Receivables	449	
5	Cash at bank and in hand	22,806	
	<b>Total Assets</b>	<b>23,356</b>	
	Liabilities - Breakdown by liability classes according to the balance sheet in the published/audited financial statements	Balance sheet as in published/audited financial statements (€'000)	Cross reference to EU IF CC1
1	Non-current liabilities : Deferred tax liabilities	7	
2	Current liabilities: Trade and other payables	21,401	
3	Lease liabilities	83	
	<b>Total Liabilities</b>	<b>21,491</b>	
	Shareholders' Equity	Balance sheet as in published/audited financial statements (€'000)	Cross reference to EU IF CC1
1	Share capital	1,245	Line item 4: Fully paid-up capital instruments
2	Share premium	1,075	Line item 5: Share premium
3	Capital reserve	250	Line item 8: Other reserves
4	Accumulated losses	(705)	Line item 6: Retained earnings
	<b>Total Shareholders' equity</b>	<b>1,865</b>	

### Main features of own instruments issued by the Firm

10.5. The table below provides a description of the main features of the Common Equity Tier 1 instruments issued by the Firm, in accordance with Article 49(1)(b) of IFR and in the prescribed

template (IF CCA) provided in Annex VII of the EBA Final Draft ITS on Reporting and disclosures for investment firms.

Main features of own instruments (per EU IF CCA return)	Information
Issuer	Company
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
Public or private placement	Private
Governing law(s) of the instrument	Cyprus Companies Law
Instrument type (types to be specified by each jurisdiction)	Ordinary Shares
Amount recognised in regulatory capital (as of 31 Dec 2024)	EUR (€) 1.25 million
Nominal amount of instrument	EUR (€) 1.25 million
Issue price	EUR (€) 1 per share
Redemption price	N/A
Accounting classification	Ordinary Share Capital
Original date of issuance	31/08/2015

10.6. There are no restrictions applied to the calculation of own funds. The requirement in Article 49(1)(c) to describe all restrictions is therefore not applicable.

## 11. Own Funds Requirements

11.1. LMAX Broker Europe Limited must hold a minimum level of capital to cover the higher of:

- The Fixed Overheads Requirement (FOR)
- The Permanent Minimum Requirement (PMR)
- The K-factor requirement (the sum of Risk-to-Client, Risk-to-Market and Risk-to-Firm K-Factors)

11.2. The Fixed Overheads Requirement is calculated as one quarter of the fixed overheads of the preceding year and is the higher of the three requirements.

11.3. The Firm also assesses if additional capital is required above the minimum amount through its ICARA process which it conducts at least annually.

11.4. The minimum own funds requirements and surplus are shown below.

Own Funds (€m)	Dec-24	Dec-23
CET1 Capital	1,860	1,965
Additional Tier 1 Capital	-	-
Tier 2 Capital	-	-
<b>Total Own Funds</b>	<b>1,860</b>	<b>1,965</b>
Permanent Minimum Capital Requirement	150	150
Fixed Overhead Requirement	334	323
Total K-Factor Requirement	301	133
<b>Own Funds Requirement (higher of above)</b>	<b>334</b>	<b>323</b>
<b>Own Funds Surplus</b>	<b>1,527</b>	<b>1,642</b>
<b>Own Funds Ratio</b>	<b>558%</b>	<b>609%</b>

## K- Factor Requirements

11.5. Article 50 of IFR requires the disclosure of the K-Factor requirement, broken down RtC, RtM and RtF K-Factors as shown below.

Total K-Factor Requirement Calculations (€'000)	Dec-24	Dec-23	Reasons
<b>Total K-Factor Requirement</b>	<b>301</b>	<b>133</b>	
<b>Risk to Client (RtC)</b>	<b>144</b>	<b>86</b>	
<b>Risk to Market (RtM)</b>	<b>157</b>	<b>47</b>	
<b>Risk to Firm (RtF)</b>	<b>-</b>	<b>-</b>	No RtF requirement as the firm does not deal on its own

## Remuneration Policy and Practices

### 12. Remuneration Policy

- 12.1. LMEU has in place a clearly documented remuneration policy that is proportionate to the size, scale and complexity of the business.
- 12.2. The remuneration policy is gender-neutral, consistent with the business strategy, objectives, values, long-term interests of the firm and risk management objectives and it aims to promote sound and effective risk management and does not expose itself to excessive risk.
- 12.3. LMEU is an equal opportunities employer and aims to provide competitive, market-based remuneration to all employees in view of their skills, experience, work performed, and responsibility undertaken, regardless of age, disability, gender, race, religion, ethnicity, sexual

orientation, economic status or other such characteristics. The principle of equal pay for equal work or work of equal value is embedded within the firm's Remuneration Policy.

- 12.4. LMEU has developed and maintains a conflicts of interest policy in keeping with the CySEC requirements. As a consequence, LMEU ensures that its Remuneration Policy will not give rise to any conflicts of interest.
- 12.5. The remuneration of staff in control functions that oversee the business is independent of the performance of the business.
- 12.6. The overall ownership of the remuneration policy sits with the Board. The Board is responsible for reviewing and overseeing the implementation of remuneration policy at least annually. The Board is also directly responsible for the remuneration of senior members of the risk and compliance functions.
- 12.7. The policy is also independently reviewed by the Group Compliance function at least annually.

### Fixed and Variable Remuneration

- 12.8. Employees are remunerated with a fixed salary that is adequate to ensure that they are motivated to deliver the required level of service to achieve the firm's business strategy, objectives and long-term goals. The ability of employees to earn variable remuneration is subject to their performance, the firm's overall results and appropriate financial and non-financial aspects of the employee's performance all of which is to be considered and approved by the LMEU Board.
- 12.9. Discretionary bonuses are paid annually from a Bonus pool determined by the Group Board of Directors. The ability of the firm to meet its liabilities as they fall due, assessment of future risks to its capital and liquidity base, and its profitability are assessed to establish that the payment of variable remuneration is deemed permissible.
- 12.10. Employees are compensated on individual performance measures and the overall performance of the firm. When assessing these measures, LMAX Group considers the adherence to company values, compliance obligations, and the individual's overall contribution to the firm. The performance of the firm is mainly measured by the revenue derived from trading on a riskless basis with predominantly institutional counterparties.
- 12.11. The aggregate quantitative information required be disclosed in accordance with Article 51(c) is presented in the tables below.

Remuneration Disclosures EUR'000	Executive Directors	Senior Managers	Total
Total amount awarded as remuneration	354	348	702
Fixed Component	350	180	530
Variable Component	4	168	172
<b>Number of Staff</b>	<b>6</b>	<b>3</b>	<b>9</b>

Remuneration Disclosures EUR'000	Paid Upfront	Deferred
Cash	172	0
Other	0	-
<b>Total Variable Remuneration</b>	<b>172</b>	<b>0</b>

12.12. There was no guaranteed variable remuneration nor any severance payments awarded in the financial year.

### **Investment Policy**

LMEU is not required to make the disclosures in Article 52 of IFR in relation to its investment policy since “the value of its on and off-balance sheet assets is on average equal to or less than EUR 100 million over the four-year period immediately preceding the given financial year” in accordance with Article 52 (1) of IFR and Article 32 paragraph 4 of IFD.

### **Environmental, Social and Governance Risks**

LMEU is not required to make the disclosures in Article 53 of IFR in relation to its ESG risks since “the value of its on and off-balance sheet assets is on average equal to or less than EUR 100 million over the four-year period immediately preceding the given financial year” in accordance with Article 32 paragraph 4 of IFD.