Halifax Share Dealing Limited

2022 Year-End

MIFIDPRU Disclosures

31 December 2022

Introduction

This document sets out the public disclosures required under the Investment Firm Prudential Regime ('IFPR') for Halifax Share Dealing Limited (the 'Company') as at 31st December 2022 and as defined under the Financial Conduct Authority's ('FCA') prudential handbook, MIFIDPRU. The Company is a wholly owned subsidiary of Lloyds Banking Group and under Chapter 2 of MIFIDPRU is not part of an IFPR consolidation group. The Company is supervised by the FCA on a solo entity basis and consolidation is triggered under UK CRR.

Basis of Disclosure

The Company undertakes activities within the scope of the UK Markets in Financial Instruments Directive ('MiFID') and is therefore subject to the prudential requirements of the IFPR contained in the FCA's MIFIDPRU Handbook. The Company is required to publish disclosures in accordance with the provisions outlined in Chapter 8.

Frequency of Disclosure

The Company makes available its disclosures on an annual basis and a standalone copy of these disclosures is located on the Lloyds Banking Group plc website: https://www.lloydsbankinggroup.com/investors/financial-downloads.html.

All calculations are determined in line with the Company's financial year end reference date 31st December.

Verification of disclosure

The disclosures required under Chapter 8 of the MIFIDPRU handbook are not required to be subjected to an external audit. Instead, the disclosures have been verified and approved through internal governance procedures including their review and endorsement by the Company's Capital, Funding & Liquidity Committee, and subsequent approval at the Company's Board. The disclosures are only subject to external verification to the extent that they contain some equivalent figures taken from the audited annual financial statements.

Risk management objectives and policies

The Company's follows the mandatory Lloyds Banking Group ('LBG') risk management framework, an ongoing cycle of activities designed to ensure effective end–to-end risk management. Further details on the LBG's approach to risk management can be found at:

https://www.lloydsbankinggroup.com/who-we-are/group-overview/risk-management.html

Summary of Risk Appetite

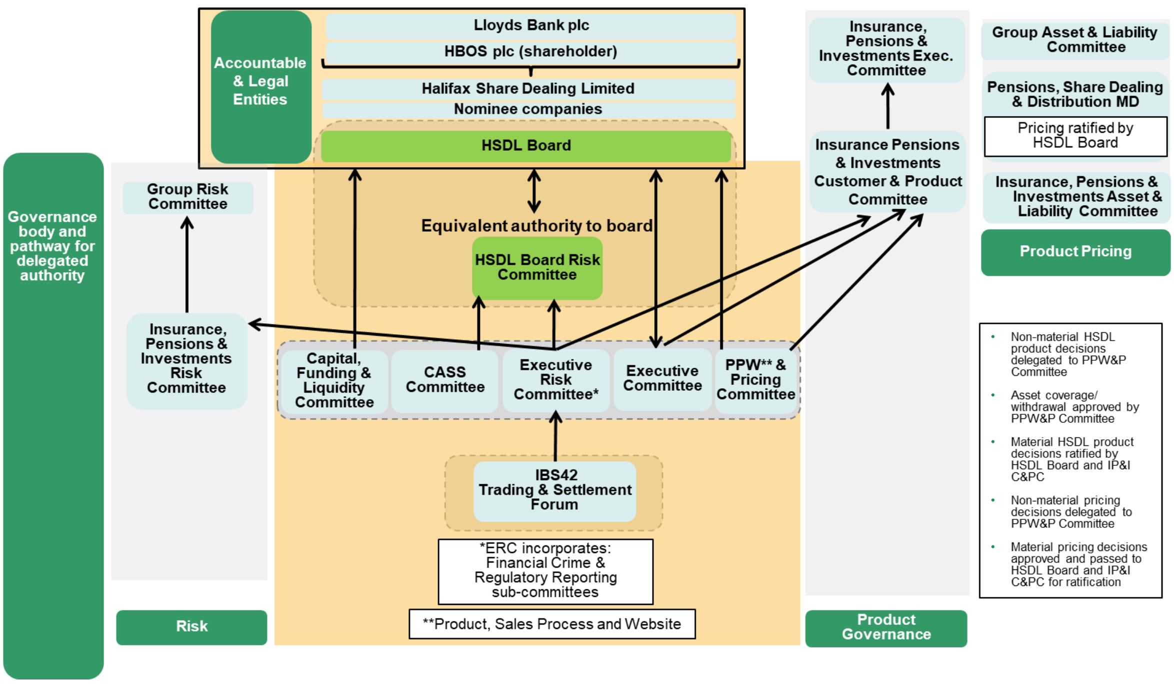
The Company recognises the impact its actions have on both the reputation of Lloyds Banking Group and on its customers. The Company appreciates that it is dealing with investors of differing levels of experience and competence, and endeavours to consider the needs and interests of its customers in all its interactions with them. The Company's Board and leadership team acknowledge that the operations of the business are not devoid of risk and therefore each risk category carries a more definitive statement of risk appetite, along with relevant measures, which are set out below.

Risk Tolerance

The Company's risk tolerance is informed by LBG policies and is set in line with the business' specific regulatory and legal obligations. Board-approved metrics and thresholds serve to evaluate operational performance against the stated risk appetite.

Risk Appetite

It is the role of the Company's Board to set risk appetite with due consideration to exposures arising from external environment impacts and/or regulatory pressures. Each risk is supported by a specific appetite statement which, where applicable, aligns to the overarching LBG Board's risk appetite statements that also inform Group policy. Tolerance measures are set in line with Group policy risk appetite measures and, where applicable, to meet the firm's legal and regulatory obligations to comply with specific rules and regulator handbooks such as Client Assets ('CASS'), Conduct of Business Sourcebook ('COBS') and ISA regulations. The Company's Board's risk appetites are a key driver for business risk reporting and outputs are reviewed monthly at both business and key governance meetings. There is a clear governance structure for the reporting and escalation of risks.



Risk Appetite (continued)

Breaches of risk appetite that are assessed as being below the threshold for material events are formally reported to the Company's Board Risk Committee and Company's Executive Risk Committee. These incidents are managed locally by the Company's business managers and supported by the Company's first line risk team and subject matter experts in the wider risk community. Remedial solutions and actions are tracked to completion and ongoing metric performance is monitored to ensure it returns to accepted appetite levels.

Where a breach of risk appetite is assessed as meeting or exceeding LBG's materiality thresholds this will be formally reported as a material event under the LBG Operational Risk Policy – Material Event Escalation Procedure with full support provided by the Company's risk teams who will also oversee the escalation to business unit managing directors and Group. As mandated by LBG policy, the Company maintains its risk profile on LBG's Risk & Control Self-Assessment ('RCSA') system which documents the key risks to the business and which is regularly reviewed at several junctures within the current governance landscape.

The business risk profile is subject to review of inherent and residual risk assessments, control effectiveness assessment and risk acceptance on a continuous basis and reported regularly via risk committees, including details of potential financial exposure and capital and liquidity allocation for each one of our top risks arising from the latest internal capital adequacy and risk assessment ('ICARA').

Own funds requirements

A MIFIDPRU investment firm must at all times maintain own funds that are at least equal to its own funds requirement being the highest of:

- its permanent minimum capital requirement ('PMR'), which for the Company is £750,000; or
- its fixed overheads requirement ('FOR'), which amounts to 25% of its most recently audited annual expenditure less permittable deductions; or
- its K-factor requirement

The K-Factor requirement drove the Company's own funds requirement as at 31st December.

Concentration risk

The Company has determined that as at 31st December it did not have any concentrated exposures to any client or group of connected clients or any concentration of business for revenue on a particular product, in a particular market, or a geographic location exposes an organisation to loss due to any adverse changes. The Company's concentration risk is considered accordingly as part of the continuous management of its capital and liquidity.

Concentration risk (continued)

The Company also identified that it did not have any concentrated exposures to any client or group of connected clients as at 31st December. The Company monitors and controls its concentration risk using sound administrative and accounting procedures and robust internal control mechanisms. This is not limited to monitoring trading book exposures, but also includes any concentration in assets not recorded in a trading book (for example, trade debts) or any off-balance sheet items. It also includes any concentration risk that may arise from:

- the location of client money
- the location of custody assets
- a firm's own cash deposits
- earnings

Liquidity risk

Liquidity risk is the risk of not having sufficient liquid financial resources to meet obligations when they fall due or having to incur excessive costs to do so. The Company's balance sheet is relatively non-complex with a strong link between its capital resources and liquid assets insofar as the Firm's liquid assets, given the cash nature of the business, are at least equal to the Firm's Common Equity Tier 1 (CET1) Capital. Daily liquidity monitoring processes monitor the current liquidity position and ensure that any emerging liquidity trends or future liquidity needs are captured. If necessary, mitigating action can be taken to protect the Company's liquidity position. The Company does not rely on lines of credit to meet its liquidity requirements.

Governance arrangements

The Company's governance structure complies with the requirement in the FCA's Senior Management Arrangements and Controls rulebook ('SYSC') to ensure the management body defines, oversees and is accountable for the implementation of governance arrangements that ensure effective and prudent management of the firm, including the segregation of duties in the organisation and the prevention of conflicts of interest, and in a manner that promotes the integrity of the market and the interests of clients under SYSC4.3A.6R(1). Full details of the role of the Company's management body can be found at:
https://www.halifax.co.uk/investing/help-and-guidance/important-information.html

About Us

The Company is an online broker, allowing customers to buy and sell shares in UK and international listed companies across a range of markets. The Halifax service is operated by Halifax Share Dealing Limited ('HSDL' or the 'Company').
The Company has been operating since 1997, when it was initially set up to support the flotation of the Halifax Building Society. Since then the Company has expanded into one of the UK's largest execution only stockbrokers.

Corporate Governance

The Company is the core business stockbroking arm, and a wholly owned subsidiary, of Lloyds Banking Group plc (the 'Group') and is authorised and regulated by the Financial Conduct Authority as an investment firm. As an independent subsidiary of the Group, the Company has its own board of directors and governance structure.

The Board of Directors

The Company is led by a Board comprising an intragroup Non-Executive Chair, internal (to Group) Non-Executive Directors and Executive Directors. The Board is collectively responsible for the long term success of the company. It achieves this by setting the strategy and overseeing delivery against it, establishing the culture, values and standards of the business, setting risk appetite and ensuring that the business manages risk effectively, monitoring financial performance and reporting and ensuring that appropriate and effective succession planning arrangements are in place.

The Board has delegated to management the power to make decisions on operational matters, including those relating to capital, liquidity and market risk, within an agreed framework.

The roles of the Chair and the Board and its governance arrangements, including the schedule of matters specifically reserved to the Board for decision, are reviewed annually.

Directorships held by members of the management body

Name	Position within the Company	Number of Directorships outside the Company*
Jonathan Hopper	Chairman and Non-Executive Director	0
Amy Bone	Non-Executive Director	0
Ruth Anderson	Non-Executive Director	1
Adrian Walkling	Non-Executive Director	0
Manuel Pardavila-Gonzalez	Executive Director	0
John O'Dwyer	Executive Director	0
Scott Guild	Executive Director	0

* *Excluding those within Lloyds Banking Group or in organisations not pursuing commercial objectives*

Appointment and Induction of Directors

Directors are appointed by the Board or by the shareholder in accordance with the Group's internal governance processes applicable to subsidiary companies.

All new directors (both Executive and Non-Executive) are offered an induction session prior to their appointment dealing with their duties and responsibilities, and setting out what is expected of them in their role as a director. In addition, regular training and information sessions on specific topics of interest / relevance are made available to directors on an ongoing basis, delivered by both internal Group personnel and external third parties.

Board Committee

The Board is supported by its Risk Committee, which makes recommendations to the Board on matters delegated to it, in particular in relation to internal control, risk, financial reporting and governance. This enables the Board to spend a greater proportion of its time on strategic, forward looking agenda items. The Risk Committee is chaired by an experienced Chair. The Committee Chair reports to the Board on the activities of the Committee at each Board meeting. The Firm is not required to set up a management body risk committee under MIFIDPRU rule 7.3.1R, but has chosen to do so.

A copy of the Terms of Reference for the Board's Risk Committee can be found at: https://www.halifax.co.uk/assets/pdf/sharedealing/pdf/terms-of-reference.pdf

Board Diversity

The Board places great emphasis on ensuring that its membership reflects diversity in its broadest sense. Consideration is given to the combination of demographics, skills, experience, race, age, gender, educational and professional background, and other relevant personal attributes on the Board to provide the range of perspectives, insights and challenge needed for good decision making. Board membership is approved in accordance with the strategy, business plan, policies and governance framework set by the Lloyds Banking Group.

New appointments are made on merit, taking account of the specific skills and experience, independence and knowledge needed to ensure a rounded Board and the diversity benefits each candidate can bring to the overall Board composition.

The Company is working towards the ambition set in the Lloyds Board Diversity Policy with further details available at www.lloydsbankinggroup.com/who-we-are/responsible-business/inclusion-and-diversity/board-diversity-policy.

Board Effectiveness

The Chair of the Board leads a rolling review of the Board's effectiveness and that of its Committees and individual Directors. The evaluation process provides an opportunity to consider ways of identifying greater efficiencies, maximising strengths and highlighting areas for further development and improvement.

Further information on the role of the Board is available at: https://www.halifax.co.uk/investing/help-and-guidance/important-information.html

Own Funds

The Company's own funds comprise exclusively of Common Equity Tier 1 ('CET1') capital, which is the most robust category of financial resources. It is comprised of fully issued ordinary shares and retained earnings.

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**	**97,732**	**Total Equity**
2	**TIER 1 CAPITAL**	**97,732**	
3	**COMMON EQUITY TIER 1 CAPITAL**	**97,732**	
4	Fully paid-up capital instruments	15,000	Share Capital, note 13 of statutory accounts
5	Share premium		
6	Retained earnings	82,732	Retained Earnings
7	accumulated other comprehensive income		
8	Other reserves		
9	Adjustments to CET1 due to prudential filters		
10	Other funds		
11	(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1		
19	CET1: Other capital elements, deductions and adjustments		
20	**ADDITIONAL TIER 1 CAPITAL**		
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**		
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		

Own Funds (continued)

Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements				
		a	b	c
		Balance sheet as in published/audited financial statements	**Under regulatory scope of consolidation**	**Cross-reference to template OF1**
		As at period end	**As at period end**	
Assets - Breakdown by asset classes according to the balance sheet in the audited financial statements				
1	Investments in subsidiaries	1		
2	Trades & other receivables	63,084		
3	Short-term investments	37,553		
4	Cash and cash equivalents	56,057		
5				
	Total Assets	**156,695**		
Liabilities - Breakdown by liability classes according to the balance sheet in the audited financial statements				
1	Current Tax liabilities	5,198		
2	Trade and other payables	53,765		
3	Bank overdrafts	-		
4				
	Total Liabilities	**58,963**		
Shareholders' Equity				
1	Share Capital	15,000		Item 4
2	Retained Earnings	82,732		Item 6
3				
	Total Shareholder's equity	**97,732**		**Item 1**
Own funds: main features of own instruments issued by the firm				
The Company’s own funds are made up of Common Equity Tier 1, CET1, capital comprising of fully paid-up Share Capital and Retained Earnings.				

Own Funds Requirements

The Company is required to disclose the K-factor requirement (KFR) and the fixed overhead requirement ('FOR') amounts in relation to compliance with the own funds requirements as set out in MIFIDPRU4.3 as at 31st December.

Item		Total amount in GBP (thousands)
KFR	K-AUM (assets under management), K-CMH (client money held) and K-ASA (assets safeguarded)	13,274
	K-DTF (daily trading flow) and K-COH (customer orders handled)	47
	K-NPR (net position risk), K-CMG (clearing margin given), K-TCD (trading counterparty default) and K-CON (concentration risk)	337
	Total KFR	**13,657**
FOR		**5,816**

Approach to assessing the adequacy of its own funds in accordance with the overall financial adequacy rule

The purpose of the Company's ICARA is to ensure that the Firm has sufficient capital at all times to cover the risks associated with its on-going activities as per the requirement under MIFIDPRU 7.4.7R(1) (Overall financial adequacy rule). The rule states that a MIFIDPRU investment firm is obliged to hold own funds and liquid assets which are adequate, both as to their amount and quality, to ensure that:

(a) it 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

(b) its business can be wound down in an orderly manner, minimising harm to consumers or to other market participants.

The Company prepares an ICARA document annually, supported by attestations throughout the year to reflect changes in the business or its wider operating environment. If a material change to the Firm's strategy or risk profile is identified through the attestation process, then the document would be fully refreshed mid-cycle and presented to the Company's Board for approval. This is in line with the FCA's expectations under MIFIDPRU7.8.2 (R) where a *firm* must review the adequacy of its *ICARA process* and ensure that this is documented.

This risk capital held is assessed by considering the impact of adverse events that could arise from the material harms that may arise from the Company's ongoing activities. Scenario testing is also performed, and capital plans put in place to respond to possible future events. The Company is required to hold sufficient capital resources to meet the overall assessment of risk capital on this basis.

Approach to assessing the adequacy of its own funds in accordance with the overall financial adequacy rule (continued)

• Within the ICARA, the capital assessment process is complemented by:

• Identification of material harms for the Company;

• Selection of risk scenarios for modelling, based on those material harms; and

• Agreement of stress test components and assumptions used in scenarios to enable financial modelling.

This process is undertaken at least annually and is challenged by both the Company's Capital, Funding & Liquidity Committee and Board.

Remuneration policy and practices

Remuneration

The Company is a FCA solo regulated entity firm that is subject to the MIFIDPRU Remuneration Code. However as a non-SNI MIFIDPRU investment firm not meeting the conditions in SYSC 19G.1.1R(2) the Company is not subject to the regulatory provisions relating to shares, instruments and alternative arrangements, retention policy, shares and discretionary pension benefits.

The Company is part of the wider Lloyds Banking Group ('the Group').

As a Capital Requirements Directive ('CRD') firm, Lloyds Banking Group ('the Group') is required to adopt and apply a remuneration policy that is firm-wide, which includes the Company. Consequently, the Remuneration policy complies with CRD requirements as well as all other regulations that are applicable to its regulated subsidiaries, including the MIFIDPRU Remuneration Code (SYSC 19.G of the FCA Handbook).

The Group's Remuneration Policy is set by the Group Remuneration Committee comprising of solely independent directors (and is adopted Group-wide through the legal entity committees). Annually a review of the Remuneration Policy is undertaken to ensure that it is being applied effectively and that all decisions are taken in line with the wider Group's Reward Governance.

Lloyds Banking Group operates a separate identification process for the identification of its CRD Material Risk Takers ('MRTs') and its MIFIDPRU Identified Staff.

The Identification of MIFIDPRU Identified Staff is undertaken on a solo basis for each legal entity e.g. Halifax Share Dealing Limited ('HSDL'). The MIFIDPRU Identified Staff methodology is based on 11 criteria, which satisfy the requirements in SYSC 19.G.5.3 - 5.5 of the FCA Handbook.

The roles identified include Senior Management, Business and Function leaders, regulated roles, control functions and other roles considered to be materially risk-taking.

Principles of the remuneration policy

The Group's Remuneration Policy is based on four core aims that are designed to specifically promote certain desired behaviours and outcomes, which are supported by the structure of the remuneration package offered to colleagues:

Purpose – Remuneration should be linked to the Group's purpose of Helping Britain Prosper.

Behaviours – Remuneration should reward and drive the right behaviours and outcomes and reflect both strategic (non-financial) and financial achievements.

Simplicity – Remuneration should be designed in a manner that is clear for all stakeholders and reflects their experience.

Clarity – Remuneration should be easy to explain and viewed as fair.

These principles are interpreted and explained in detailed reward policies and procedures which govern specific areas of reward and support the practical operation of the Remuneration Policy. These policies and procedures reinforce the alignment between business strategy, risk profile and remuneration and provide a framework for understanding and implementing the Group’s remuneration structure. The objective of the policy is to align individual reward with the Group’s performance, the interests of its shareholders and a prudent approach to risk management.

The remuneration policy is based on principles which are applicable to all employees within the Group and, in particular, the principle that the reward package should support the delivery of the Group’s purpose and strategic aim whilst delivering long-term superior and sustainable returns to shareholders. It fosters performance in line with the Group’s values and behaviours, encourages effective risk disciplines and is in line with relevant regulations and codes of best practice. To support remuneration decision-making, a robust and effective performance management framework is operated. Performance is assessed across the Group using a balanced scorecard approach comprising of financial and non-financial metrics.

Risk is an embedded consideration in all categories of the balanced scorecard and emphasis is placed on reviewing how objectives are achieved, as well as what has been delivered. Various types of risk are considered, including (but not limited to) credit risk, conduct risk, market risk, operational risk and insurance risk.

In addition to receiving a salary, benefits are available to UK based colleagues including, pensions, concessionary financial products, private medical cover and a voluntary discount scheme.

Principles of the remuneration policy (continued)

There are a small number of senior employees who are also in receipt of a Fixed Share Award ('FSA') or a role based allowance. The purpose of the fixed share award/role based allowance is to ensure that for eligible colleagues, their total fixed remuneration is commensurate with the role and provides a competitive reward package with an

appropriate balance of fixed and variable remuneration, in line with regulatory requirements.

The fixed share award is delivered in Lloyds Banking Group shares on a quarterly basis over a period of three years, and the role based allowance is delivered monthly in cash.

Fixed vs variable reward elements

Reflecting the role of the Insurance Group as part of the wider UK-focused consumer and commercial bank, the majority of Insurance Group employees participate in the annual Group Performance Share Plan.

Some employees participate in specialist or enhanced bonus arrangements, where variable remuneration may be a higher proportion of total remuneration, with salary levels being guided by a combination of external market data, peer comparisons and internal pay ranges where applicable, while ensuring compliance with external regulatory requirements in relation to the 2:1 variable to fixed ratio cap.

The balance of fixed and variable remuneration is regarded as appropriate for such employees and allows variable remuneration to be adequately flexed to reflect the performance of the Group, the business unit and the individual.

As a consequence of the 2:1 variable to fixed ratio cap requirements introduced as part of the Capital Requirements Directive (‘CRD’) legislation, the Group sought and obtained shareholder approval at its 2014 Annual General Meeting to apply a cap of 2:1 where appropriate in relation to the ratio of variable to fixed remuneration for its Material Risk Takers.

A small number of key individuals across the organisation receive a role-based allowance. This includes members of the Insurance Board and its Executive Committees. The role-based allowance forms part of an individual’s fixed remuneration, and results in a reduction of the bonus opportunity for impacted staff but has a neutral impact on a total compensation basis. Through this approach, the Group has introduced an appropriate balance of fixed to variable remuneration.

For some members of the Insurance Board and its Executive Committees, dependent upon level of seniority, variable remuneration includes an additional long term incentive plan (the Long Term Share Plan), and this is described below together with further detail on variable remuneration elements relating to bonus and share schemes.

Variable Reward plans

Group Performance Share Plan

The Group Performance Share ('GPS') plan is an annual discretionary bonus plan. The plan is designed to reflect specific goals linked to the performance of the Group. The majority of colleagues and all Material Risk Takers ('MRTs') participate in the GPS plan.

Individual GPS awards are based upon individual contribution, overall Group financial results and an assessment of the individual's contribution, performance, behaviours and development over the past calendar year. The Group's total risk-adjusted GPS outcome is determined by the Remuneration Committee annually, modified for:

- Group balanced scorecard performance
- Collective and discretionary adjustments to reflect risk matters and / or other factors.

The Group assessment of risk performance review for the 2022 performance year includes risk and control issues at the Insurance, Protections and Investments (IP&I) sub-group level. An assessment is made whether there are standalone IP&I risks which are considered sufficiently material to warrant inclusion at the Group level. In addition, a review of the most material risk matters at the IP&I sub-group level is also conducted with a year-end risk outcome determined.

Measures and targets are set annually by the Committee in line with the Group's strategic business plan and consist of both financial and non-financial measures, and the weighting of these measures are determined annually by the Committee.

The assessment of individual performance considers objectives and development goals, including both 'what' the colleague delivered, and 'how' they delivered it, as well as how colleagues took action to grow their skills and capabilities and to support their broader team, divisional or Group objectives.

Remuneration under the Group Performance Share Plan is a mixture of cash and shares. The Group applies deferral arrangements to GPS and variable pay awards made to colleagues. GPS awards for MRTs are subject to deferral and a holding period in line with regulatory requirements and market practice.

Executives, Material Risk Takers and identified staff are subject to the Risk Performance Review process incorporating a risk assessment and commentary by their line manager and 2nd line risk partner is embedded within 'Your Best'. The risk performance review outcome will be taken into account when the line manager determines the colleagues annual GPS outcome.

The Group Long Term Share plan

The long term variable reward opportunity aligns executive management incentives and behaviours to the objective of delivering long-term superior and sustainable returns. Long term variable rewards incentivise stewardship over a long time horizon and promote good governance through a simple alignment with the interest of shareholders.

Awards made under the rules of the Long Term Share Plan are in the form of conditional shares and award levels are set at the time of grant, in compliance with regulatory requirements, and may be subject to a discount in determining total variable remuneration under the rules set by the European Banking Authority. The number of shares to be awarded may be calculated using a fair value or based on a discount to market value, as appropriate.

Vesting will be subject to an assessment of underpin thresholds being maintained measured over a period of three years, or such longer period, as determined by the Group Remuneration Committee.

The Remuneration Committee retains full discretion to amend the pay-out levels should the award not reflect business and/or individual performance. The Committee may reduce (including to zero) the level of the award, apply additional conditions to the vesting, or delay the vesting of awards to a specified date or until conditions set by the Committee are satisfied, where it considers it appropriate.

Awards may be subject to malus and clawback for a period of up to seven years after the date of award which may be extended to 10 years where there is an ongoing internal or regulatory investigation.

Other types of awards

Guarantees, Buy-outs and Retention Awards are only permitted in line with the PRA/FCA remuneration requirements, and are subject to the approval processes set out in the Group's Reward Governance Framework, including the Buy Out policy and Deferral and Performance Adjustment policy.

Guarantees for variable remuneration may only be offered in exceptional circumstances to new hires for the first year of service.

Redundancy Pay

All colleagues with two or more years' service are entitled to statutory redundancy pay. Enhanced redundancy pay may be offered dependent on other opportunities for the colleague in the Group.

Further details can be found in the Directors' remuneration section of the 2022 LBG plc Annual Report at:

https://www.lloydsbankinggroup.com/investors/annual-report.html

Quantitative disclosures

A non-SNI MIFIDPRU investment firm must disclose the total number of material risk takers identified by the firm under SYSC 19G.5. For the year ending 31st December 2022 the total number of material risk takers for the Company, including senior management, was 14.

A non-SNI MIFIDPRU investment firm must disclose the following information, split into categories for senior management, other material risk takers, and other staff:

(a) the total amount of remuneration awarded;

(b) the fixed remuneration awarded; and

(c) the variable remuneration awarded

£	Senior Management*	Other Material Risk Takers	Other Staff
Fixed remuneration	646,558	3,436,815	8,237,920
Variable remuneration	373,500	2,057,892	658,258
Total remuneration	1,020,058	5,494,707	8,896,178

** Senior management is aligned to the regulatory definition contained in Article 2 (9) of DIRECTIVE 2013/36/EU which of means those natural persons who exercise executive functions within an institution and who are responsible, and accountable to the management body, for the day-to-day management of the institution. This excludes non-executive directors in their supervisory capacity.*

A non-SNI MIFIDPRU investment firm must disclose the following information, split into categories for senior management and other material risk takers:

(a) the total amount of guaranteed variable remuneration awards made during the financial year and the number of material risk takers receiving those awards;

(b) the total amount of the severance payments awarded during the financial year and the number of material risk takers receiving those payments; and

(c) the amount of the highest severance payment awarded to an individual material risk taker.

In financial year 2022 there were no MRTs (including Senior Management) who received a guaranteed variable remuneration award or a severance payment in light of termination.

Investment Policy

The Company is not required to provide a disclosure on investment policy as it is not categorised as a larger non-SNI firm due to meeting the conditions of MIFIDPRU rule 7.1.4.