Trading 212 Markets (Ireland) Ltd

Pillar III 2025 Disclosures

June 2026

Contents

1. Introduction

This Pillar III Disclosure Report (the "Disclosures") is prepared by Trading 212 Markets (Ireland) Limited ("T212 IE" or the "Firm") in accordance with Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 on prudential requirements for investment firms ("IFR"). The purpose of these Disclosures is to enhance market transparency and discipline by providing information relevant to an assessment of the Firm's risk profile and capital adequacy.

T212 IE is an Irish registered private limited liability company and a subsidiary of Trading 212 Group Limited, a privately owned financial holding company resident in the United Kingdom ("T212 Group"). The Disclosures are compiled as at 31 December 2025 and cover the following areas required under IFR:

- Risk management objectives and policies (Article 47 IFR)
- Corporate governance arrangements (Article 48 IFR)
- Own funds (Article 49 IFR)
- Own funds requirements (Article 50 IFR)
- Remuneration policies and practices (Article 51 IFR)
- Investment strategy (Article 52 IFR)
- Environmental, Social and Governance risks (Article 53 IFR)

T212 IE is regulated by the Central Bank of Ireland ("CBI") and is authorised as an Investment Firm under Regulation 8(3) and deemed authorised under Regulation 5(2) of Statutory Instrument No. 375/2017, the European Union (Markets in Financial Instruments) Regulations 2017.

All figures within these Disclosures are presented in thousands of Euro (€'000) unless otherwise stated. The Disclosures are prepared on a solo basis.

1.1 Regulatory Background

IFR establishes a comprehensive, risk-sensitive capital adequacy framework for investment firms operating within the European Union, with the objective of promoting enhanced risk management systems and controls across the sector. The framework is structured around three prudential components, referred to as "Pillars":

Pillar I prescribes the methodology for calculating the Firm's minimum regulatory capital requirements in respect of credit, market and operational risks. Central to this framework is the introduction of a K-factor regime, which links capital requirements more directly to the nature and scale of investment firm activities.

Pillar II requires the Firm to conduct a comprehensive assessment of its risks and to maintain a credible and demonstrable link between its risk profile and the level of capital it holds. This assessment is referred to as the Internal Capital and Risk Assessment ("ICARA") and encompasses both capital adequacy and liquidity adequacy.

Pillar III requires the Firm to publicly disclose prescribed information relating to its capital adequacy, risk exposures and risk management arrangements, with the aim of promoting greater market discipline and transparency. These Disclosures fulfil T212 IE's obligations under Articles 46 to 53 of IFR.

1.2 Scope, Frequency and Location of Disclosures

These Disclosures have been prepared as at 31 December 2025, being the fiscal year end of T212 IE, and are published on an annual basis contemporaneously with the Firm's annual financial statements. The Disclosures are published on the Firm's website.

These Disclosures have been prepared solely for the purpose of fulfilling the Firm's Pillar III obligations under IFR and do not form part of the Firm's audited financial statements, nor are they used by management for any other purpose.

2. Risk Management Framework

T212 IE regards risk management as a fundamental component of its business strategy and a key enabler of long-term sustainability and sound corporate governance. The Firm's business strategy and risk appetite are closely aligned, providing the foundations for decision-making and ensuring that risk-taking activities remain within clearly defined boundaries that support capital adequacy and efficient liquidity management.

The Firm has established a comprehensive Risk Management Framework ("RMF"), supported by appropriate people, processes and systems, which sets out the governance structure and control mechanisms for identifying, measuring, assessing, monitoring, controlling and reporting on the Firm's risk exposures.

The objectives of the RMF are to:

- Ensure a consistent approach to identifying risks inherent in the Firm's products, activities, processes and systems.
- Ensure that identified risks are appropriately measured to enable their evaluation, aggregation, comparison and control.
- Assess risks at both entity level and from a holistic perspective, taking account of potential interdependencies across risk categories.
- Maintain appropriate governance and control structures to ensure effective implementation of risk management strategies and ongoing adherence to risk appetite.
- Provide timely and targeted reporting on risk exposures and concentrations to support sound decision-making by management and the Board of Directors (“the Board”).
- Foster a culture of senior management challenge through regular review of the Firm's risk profile and practices.

The core components of the RMF are as follows:

Risk Culture — The Firm's risk culture reflects the general awareness, attitudes and behaviours of its employees with respect to risk-taking and risk management. The tone set by the Board and Senior Management shapes the organisational attitude to risk and informs employee behaviour at all levels. Risk management is considered the responsibility of every employee and is reflected in the Firm's appraisal and remuneration processes.

Risk Governance — Ultimate responsibility for maintaining an appropriate system of internal control rests with the Board. This is achieved through a robust governance structure that facilitates the escalation and reporting of risk from the business to the Board, while ensuring that Board-approved policies and risk appetite are effectively communicated and applied throughout the organisation. Individual business functions are accountable for identifying, managing and escalating risk within their areas, supported by the Risk Management, Compliance and Internal Audit functions.

Risk Appetite — The Firm's risk appetite defines the aggregate level and type of risk that T212 IE is prepared to accept in pursuit of its strategic objectives. It is approved by the Board on an annual basis and cascades from high-level objectives through to detailed risk measures and metrics.

Risk Management Tools — The Firm employs a suite of risk management tools to support the execution of business activities within the defined risk appetite:

- *Risk Identification and Analysis* — at least annually, and on an ongoing basis, the Firm reviews its risk profile and reassesses the key risk types within its Risk Taxonomy, with associated risk mitigants captured in relevant policies and procedures.
- *Risk Evaluation and Mitigation* — risks identified through the Risk Taxonomy are assessed and measured in accordance with established policies and procedures, with appropriate controls in place to mitigate identified risks.
- *Risk Monitoring, Review and Reporting* — regular and ad-hoc reporting to the Board, its delegated committees and the Executive Management Team ensures that risk exposures and changes to the Firm's risk profile are communicated in a consistent and timely manner, enabling the formulation of appropriate mitigating actions.

2.1 Risk Appetite Policy

The Firm's Risk Appetite Policy defines the level of risk the Board is willing to accept in the pursuit of T212 IE's strategic objectives, having regard to the Firm's financial resources and planning horizon. Risk appetite represents the aggregate level and type of risk that the Firm is prepared to assume within its risk capacity to achieve its business plan and strategic goals.

The Firm's risk strategy and business strategy are aligned to ensure that risk-taking activities are conducted within clearly defined boundaries. Risk appetite is embedded in the Firm's annual budget and medium-term business plan, and is approved by the Board on an annual basis. It is reflective of the Firm's organisational objectives, business plans and shareholders' expectations, and is set on a top-down basis, cascading from high-level Board objectives to detailed risk measures and metrics across the Firm.

2.2 Overview of Risk Appetite Methodology

The Firm's risk appetite is articulated through a combination of qualitative Risk Appetite Statements for each risk category, supplemented by quantitative measures and metrics. Risk capacity is defined as the maximum level of risk the Firm can assume given its current resources before breaching regulatory capital and liquidity constraints or its obligations to stakeholders.

For each strategic objective, the Firm sets a risk appetite ranging from Very Low to Very High, with a corresponding score to enable aggregation across risk types, ensuring alignment between risk appetite and the Firm's overall strategic direction.

The Board has identified certain activities it will not tolerate under any circumstances, including:

- Activities outside the Firm's ethical framework or involving significant conflicts of interest.
- Activities that are fraudulent, dishonest or contrary to applicable legal or regulatory requirements.
- Conduct constituting market abuse, including market manipulation or practices that create a disorderly market.
- Wilful facilitation of money laundering, terrorist financing or market abuse through the Firm's systems.
- Deliberate circumvention of the Firm's risk management or governance frameworks.

While the Firm acknowledges that it cannot entirely eliminate the possibility of such events, robust controls are maintained to detect, escalate and address any incidents appropriately.

2.2.1 Credit & Counterparty Risk Appetite

Credit Risk: The Firm has a very low appetite for credit risk. T212 IE does not extend credit to clients.

Counterparty Risk: The Firm has a medium appetite for counterparty risk. Counterparties fall broadly into two categories: credit institutions in which T212 IE holds cash deposits, where the risk relates to the potential unavailability of those funds; and trading counterparties, where the risk arises from settlement obligations on instrument transactions. The Firm maintains robust credit approval policies with the primary objectives of preserving principal, maintaining liquidity obligations and limiting credit risk arising from counterparty default.

2.2.2 Market Risk Appetite

The Firm has a low appetite for market risk. While market risk is an inherent feature of T212 IE's activities, the Firm seeks to avoid unwanted directional exposures and continuously monitors its market risk profile with a view to maintaining correlated or market-neutral positions. Risk limits are set in a manner consistent with the Board-approved risk appetite, and are regularly reviewed.

2.2.3 Liquidity (Funding) Risk Appetite

The Firm has a very low appetite for any inability to meet its payment obligations as and when they fall due. The Head of Finance, acting in a treasury management capacity, is responsible for identifying, measuring and managing the Firm's liquidity requirements through the monitoring of operational liquidity positions and the securing of longer-term funding as required.

2.2.4 Capital Adequacy Risk Appetite

The Firm has zero appetite for breaches of its regulatory capital requirements. Near real-time monitoring of capital requirements is in place, supported by automated alerting mechanisms that provide early warning where the margin between available own funds and the regulatory requirement becomes marginal or stressed.

2.2.5 Operational Risk Appetite

Operational risk is inherent in the Firm's day-to-day activities and is managed across the organisation. Given its pervasive nature, the articulation of operational risk appetite is more complex than for other risk types. The Firm's operational risk appetite is assessed primarily on the basis of potential impact on earnings, with both solvency and reputational impacts taken into account. In addition to this overarching approach, specific appetite statements have been developed across the following dimensions:

Information Technology and Cybersecurity — The Firm has a very low appetite for risks to the availability of systems supporting critical business functions. Recovery time objectives have been established for these functions. The Firm has a very low appetite for threats arising from external malicious cyber-attacks, and a low appetite for system-related incidents caused by inadequate change management practices.

Fraud and Corruption — The Firm has no appetite for fraud or corruption perpetrated by its staff.

Information Management — The Firm is committed to ensuring that its information is authentic, appropriately classified, properly secured and managed in accordance with applicable legal, regulatory and business requirements. The Firm has a very low appetite for the compromise of information governance processes and no appetite for the deliberate or malicious misuse of its information.

2.2.6 Regulatory Risk Appetite

The Firm has a very low appetite for legal and regulatory risk and maintains a commitment to operating to the highest ethical standards. There is no appetite for regulatory sanctions, enforcement actions or substantive regulatory interventions, nor for deliberate or wilful non-compliance with applicable laws and regulations. The Firm also has no appetite for contractual failures, while acknowledging the inherent risk of contractual disputes and changes to the regulatory landscape. A strong compliance culture is maintained throughout the organisation, with policies and procedures in place to ensure staff operate in accordance with all applicable legal and regulatory obligations at all times.

2.2.7 Reputational Risk Appetite

The Firm has a very low appetite for reputational risk and for adverse media coverage. All material risks are subject to a reputational impact assessment, whereby each risk is mapped on a probability-impact matrix. The vertical axis reflects the likelihood of the risk occurring, and the horizontal axis reflects the level of public exposure associated with the event. Any risk assessed as having a material reputational impact is flagged accordingly in internal reporting to Senior Management and the Board, and in communications with external parties such as auditors and regulators.

2.3 Principal Business Risks and Mitigating Controls

Effective risk management is central to the Firm's operations across all business activities. Risk management oversight is maintained at the highest level, ensuring compliance with CBI requirements and the broader European regulatory framework. The Firm considers the risks set out below to be among its most significant and monitors them on a continuous basis with a view to mitigating their impact where required.

2.3.1 Credit Risk

Credit risk is the risk of financial loss arising from the failure of a counterparty, issuer or other obligor to meet its financial obligations to the Firm. For T212 IE, credit risk arises primarily in connection with cash held on deposit at credit institutions, brokers, custodians and from amounts due from debtors or prepayments.

Mitigating Measures:

- The Firm conducts regular credit assessments of its counterparties and reports key findings to the Board, ensuring that adequate capital is maintained in respect of credit risk exposures.
- The Firm actively seeks to diversify its credit exposures and limit concentration risk to any single counterparty.

2.3.2 Market Risk

Market risk is the risk of financial loss arising from adverse movements in market prices, including the volatility of those prices and their correlations. The Firm monitors its market risk exposures on a regular basis and reports quarterly to the CBI. T212 IE seeks to maintain market-neutral or appropriately hedged positions, and risk limits are set in line with the Board-approved appetite.

2.3.3 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events, including low-probability but high-impact events. The Firm has established a comprehensive control infrastructure to manage operational risk across all business activities, encompassing dedicated procedures, permanent supervision, business continuity arrangements and specialist oversight functions.

The operational risk management framework addresses the following risk categories:

- **Internal Fraud** — misappropriation of assets, policy breaches and bribery.
- **External Fraud** — misappropriation of assets or deception by third parties.
- **Employment Practices and Workplace Safety** — discrimination, health and safety, and compensation-related risks.
- **Consumer Protection and Market Integrity** — risks of adverse impact on clients, counterparties or the market.
- **Physical Asset Damage** — loss or damage to physical assets arising from natural disasters or other external events.
- **Business Disruption and System Failures** — risks to business continuity arising from system outages or technology failures.
- **Execution, Delivery and Process Management** — risks arising from transaction processing failures or process management deficiencies.

2.3.4 Compliance Risk

Compliance risk is the risk of legal, regulatory or administrative sanctions, or material financial loss, arising from a failure to comply with applicable laws, regulations, internal policies or professional standards. The Firm's Compliance function is responsible for monitoring adherence to all relevant obligations and for providing recommendations to the Board where improvements are required. A Compliance

Monitoring Programme ("CMP") is in place, incorporating a range of monitoring techniques and risk-based assessments.

2.3.5 Money Laundering and Terrorist Financing Risk

Money laundering and terrorist financing ("ML/TF") risk refers to the risk that the Firm may be used, whether knowingly or unknowingly, as a vehicle to launder the proceeds of crime or to facilitate the financing of terrorism. The Firm operates a comprehensive AML/CFT framework in accordance with the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010–2021, the EU Anti-Money Laundering Directives and applicable CBI guidance.

Mitigating Measures:

- A **risk-based approach** underpins the Firm's AML/CFT programme, incorporating a documented Business-Wide Risk Assessment reviewed at least annually to identify and assess the ML/TF risks to which the Firm is exposed.
- **Customer Due Diligence ("CDD")** procedures are applied at onboarding and on an ongoing basis, with Enhanced Due Diligence applied to higher-risk customers, including Politically Exposed Persons ("PEPs") and customers connected to high-risk third countries.
- **Transaction monitoring** is conducted on an ongoing basis to detect unusual or potentially suspicious activity, with Suspicious Transaction Reports filed with the Financial Intelligence Unit of An Garda Síochána where required.
- **Sanctions and screening** controls are applied at onboarding and on a continuous basis against applicable sanctions lists, PEP databases and adverse media sources.
- **Staff training** on AML/CFT obligations is provided to all relevant personnel on a regular basis.
- A dedicated **Money Laundering Reporting Officer ("MLRO")**, approved by the CBI as a Pre-Approval Controlled Function holder, is responsible for overseeing the Firm's AML/CFT framework and for making required regulatory reports.

The Firm's AML/CFT policies, procedures and controls are reviewed on a regular basis to ensure ongoing compliance with applicable legislation and regulatory guidance.

2.3.6 Information Communication and Technology Risk

ICT risk is the risk that threats to the Firm's technology systems, infrastructure or data — whether arising from external attack, internal failure or third-party vulnerability — result in harm to the Firm, its clients or the integrity of its operations. Given the Firm's reliance on technology to deliver its services, ICT risk is considered a key risk category and is subject to dedicated management and oversight.

Mitigating Measures:

- **Application Security** — regular internal application security testing to identify and remediate software vulnerabilities.
- **Vulnerability Management** — a formal programme covering the scanning, prioritisation and timely remediation of infrastructure vulnerabilities.
- **Cybersecurity Awareness** — a company-wide training and phishing simulation programme to build employee resilience against social engineering threats.
- **Access Controls** — role-based logical access controls, multi-factor authentication and the principle of least privilege to limit exposure to both internal and external threats.
- **Endpoint Protection** — advanced threat protection deployed across all devices to detect and respond to malicious activity.
- **Monitoring and Alerting** — continuous monitoring of key infrastructure and systems with automated alerting to enable rapid incident detection and response.
- **Third-Party Security** — security due diligence and ongoing monitoring of third-party service providers to manage outsourcing and supply chain risk.
- **Penetration Testing** — regular external penetration testing and independent security audits to validate the effectiveness of the Firm's security controls.
- **Business Continuity and Incident Response** — documented and regularly tested business continuity, disaster recovery and cyber incident response plans to ensure resilience in the event of a significant disruption or attack.
- **Data Protection** — controls ensuring compliance with the General Data Protection Regulation ("GDPR") and applicable Irish data protection legislation, including data classification, encryption and breach notification procedures.

ICT risk is overseen by the Firm's Chief Information Officer and is subject to independent review by the Risk Management function and periodic audit by Internal Audit.

2.3.7 Reputational Risk

Reputational risk is the risk that adverse events or negative media coverage damage the perception of the Firm among clients, counterparties, shareholders or regulators, with consequent impact on the Firm's profitability or capital position. Potential triggers include poor client outcomes, fraud, regulatory sanctions, litigation or the departure of key personnel.

The Firm maintains policies and procedures for the effective handling of client complaints and monitors reputational indicators on a regular basis to ensure that appropriate action is taken in response to any adverse developments.

2.3.8 Strategic / Business Risk

Strategic risk is the risk that internal or external developments render it difficult or impossible for the Firm to achieve its strategic objectives. Business risk reflects the sensitivity of the Firm's capital position to fluctuations in business volumes and conditions over time.

The Firm monitors economic and market conditions and the competitive landscape on a regular basis to maintain its competitive positioning. T212 IE is focused on delivering high-quality client service, a broad and diversified product range and efficient trade execution, enabling it to create value for its clients in a competitive market environment.

2.3.9 Group Risk

Group risk is the risk that adverse developments within other entities of the Trading 212 Group have a negative impact on T212 IE, whether through operational dependencies, reputational contagion or financial exposure. As a subsidiary of Trading 212 Group Limited, T212 IE relies on certain services and capabilities provided by other Group entities.

The Firm manages group risk through alignment of its strategy with the Group's reputational objectives, maintenance of robust governance and compliance standards, and by ensuring that client interests remain central to all business activities. Intra-group arrangements are governed by formal service level agreements and are subject to regular review by Senior Management and the Board.

3. Governance

T212 IE has adopted the Three Lines of Defence model as the foundation of its risk governance structure, supported by a strong risk culture, clear communication and well-defined lines of accountability. The governance model encompasses the Board, its delegated committees, and the management functions responsible for risk oversight across the Firm. Key personnel within this structure are clearly aware of their roles and responsibilities, and information flows and reporting lines are documented and communicated to all relevant parties.

3.1 First Line of Defence (1LOD)

The first line of defence comprises the Firm's business units and support functions, which bear primary responsibility for managing risk in the course of their day-to-day activities. First line employees are responsible for understanding and complying with the Firm's risk and control environment, making appropriate risk-reward assessments, and adhering to all applicable risk policies, procedures and limits. The first line is also responsible for the ongoing identification, monitoring and escalation of risk exposures and events. Triage workflows are in place to ensure that all incidents are escalated in a transparent and accountable manner.

3.2 Second Line of Defence (2LOD)

The second line of defence comprises the Risk Management and Compliance functions. These functions operate independently of the first line and provide oversight, challenge and guidance in respect of the effectiveness of the risk and control framework. The second line is responsible for the development and maintenance of risk frameworks, policies and procedures, and for providing independent risk reporting to Senior Management and the Board.

3.3 Third Line of Defence (3LOD)

The third line of defence is the Internal Audit function, which provides independent assurance over the activities of both the first and second lines of defence. Internal Audit carries out a risk-based annual audit programme covering all key business and control functions. The results of each audit, together with agreed action plans, are reported to the Audit, Risk and Compliance Committee and the Board. Action plans are tracked to ensure that identified issues are resolved within agreed timelines. The annual audit planning process takes account of the Firm's risk identification and monitoring outputs, with a particular focus on areas where risk ratings fall outside approved appetite.

3.4 The Board of Directors

The Board sets the tone at the top and establishes the overarching risk culture of the Firm. It is responsible for the effective, prudent and ethical oversight of T212 IE, including the setting of business strategy and ensuring that risk and compliance are appropriately managed throughout the organisation.

The key responsibilities of the Board include:

- Constructively challenging and reviewing propositions, information and explanations provided by Senior Management.
- Monitoring the consistent implementation of the Firm's strategy, risk appetite and policies, and ensuring that performance standards are maintained in line with the Firm's long-term financial interests and solvency.
- Coordinating business and risk strategies and regularly discussing their implementation with Senior Management.
- Monitoring the performance of Senior Management against established standards.

The Board comprises a balanced combination of Executive Directors, shareholder representatives and Independent Non-Executive Directors ("INEDs"). All Board members are appointed in accordance with the Fitness and Probity requirements of the Central Bank of Ireland and are required to hold relevant financial services expertise or board-level experience.

During 2025, the Board met three times following its formation on 21 January 2025.

The Firm's Board composition policy requires a minimum of:

- Two Independent Non-Executive Directors;
- Two Irish-based full-time Executive Directors; and
- One Non-Executive Director.

The current composition of the Board is as follows:

Directorship Type	**Director**	**No. of Directorships**
Executive Director	Michael Byrne	1
Executive Director	David Brennan	1
Independent Non-Executive Director	Brian Healy	10
Independent Non-Executive Director	Ian McLaughlin	5
Non-Executive Director	Mukid Chowdhury	5

3.5 Board Sub-Committees

The Board has delegated responsibility for the supervision of certain functions to two sub-committees, each operating in accordance with Board-approved Terms of Reference. Senior management report to the Board on relevant matters at periodic Board meetings.

3.5.1 Audit, Risk & Compliance Committee (ARCC)

The ARCC is a committee of the Board of Directors whose primary purpose is to assist the Board in discharging its oversight responsibilities in respect of: (i) the integrity of the Firm's financial statements; (ii) the qualifications and independence of the external auditors; (iii) the performance of the Firm's Internal Audit function and external auditors; and (iv) the integrity of the Firm's risk and compliance management processes. The ARCC provides assurance to the Board through oversight and monitoring of the Firm's risk and compliance infrastructure and promotes a sound risk culture throughout the organisation.

The principal objectives of the ARCC are to:

- Oversee the effectiveness of the Firm's systems of internal control, internal audit and IT systems.
- Monitor the independence of the Committee and the statutory auditor, particularly in relation to the provision of non-audit services.
- Ensure the integrity of the financial reporting process and the reliability of financial information provided to the Board, the Firm's parent, the CBI, the Companies Registration Office and other relevant parties.
- Monitor the statutory audit of the annual accounts to ensure they present a true and fair view of the Firm's financial position.
- Provide oversight and advice to the Board on current risk exposures and future risk strategy, including the risk appetite.
- Ensure the ongoing development and maintenance of the Firm's internal control and risk management systems.
- Oversee the independence and effectiveness of the Firm's risk management function.
- Oversee the management of material and non-material risk events and the adequacy of controls implemented to address them.

Following the Firm's regulatory approval in December 2025, the ARCC held its first meeting on 25 March 2026.

3.5.2 Remuneration & Nominations Committee (RNC)

The Board has delegated specific responsibility for remuneration matters to the RNC. The Committee operates in accordance with its Terms of Reference and provides verbal updates to the Board on material items considered at each meeting. All Committee minutes, packs and outputs are made available to the Board for review.

The principal objectives of the RNC are to:

- Support the Board in establishing a firm-wide remuneration policy that is fair, equitable and transparent.
- Assess the appropriateness of performance assessment processes and remuneration outcomes having regard to the Firm's risk profile and long-term objectives.
- Ensure that the Firm's Remuneration Policy complies with applicable laws and regulatory requirements, including the IFD and associated guidance from the EBA, ESMA and the CBI.
- Monitor and review all matters falling within its remit, and investigate such further matters as the Board may request from time to time.

The members of the RNC are the Non-Executive Directors of the Firm. Following the Firm's regulatory approval in December 2025, the RNC held its first meeting on 18 February 2026.

Diversity

T212 IE is an equal opportunity employer committed to fostering a diverse and inclusive workplace. The Firm does not discriminate on the basis of race, national origin, gender, gender identity, sexual orientation, disability, age, protected veteran status or any other legally protected characteristic. The Firm seeks to create an inclusive, equitable and culturally competent environment in which all management and employees are encouraged to bring their authentic selves to work and to model behaviours that enrich the workplace for all.

Article 48 of the IFR mandates Investment Firms to have a diversity policy for the selection of management body members. The Firm recognizes the value of a diverse and skilled workforce and management body, linking to better economic performance and positive social impact, and has established an individual accountability framework in relation to senior executives holding pre-approved control functions and control functions.

The framework aims to engage a broad set of qualities and competences, achieve a variety of views and experiences and facilitate independent opinions and sound decision making within the management body in order to achieve an inclusive and collaborative workplace culture that will provide sustainability for the Firm.

The following factors for the management body members selection are considered:

- Integrity, honesty and the ability to generate public confidence;
- Knowledge, skills and experience with financial institutions (“fit-and-proper”);
- Specialised skills and/or knowledge in accounting, finance, banking, law, business administration or related subjects;
- Time commitment expected by the members; and
- Diversity principles considered.

4. Own Funds

4.1 Reconciliation Between Regulatory Capital and Accounting Capital

A full reconciliation of the Firm's regulatory own funds to the balance sheet as presented in the audited financial statements, prepared in accordance with the EBA template format, is set out in Appendix 1.

4.2 Main Features of Own Funds

The Firm's Tier 1 capital comprises fully paid ordinary share capital and retained earnings. No Tier 2 capital was held as at 31 December 2025.

The table below summarises the composition of the Firm's regulatory capital as at 31 December 2025, as reported in the IFREP return.

Capital Resources	**€'000**
Tier 1 Capital	

Ordinary Share Capital (€1)	20,000
Capital Contributions	-
Retained Earnings	(981)
Adjustments	
Deferred Tax Assets	(143)
Total Tier 1 Capital	**18,876**

A full composition of regulatory own funds in the prescribed EBA template format is set out in Appendix 2.

5. Own Funds Requirements

5.1 Approach to Assessing the Adequacy of Capital

T212 IE is classified as a Class 2 investment firm under IFR and calculates its Pillar I minimum capital requirement by reference to K-factors and/or the Fixed Overhead Requirement ("FOR"), as applicable. In addition, the Firm conducts a comprehensive assessment of its overall risk profile through the ICARA process, which identifies risks not captured within the Pillar I framework and allocates additional capital where appropriate to ensure the Firm is adequately capitalised at all times.

Capital adequacy is monitored on a daily basis by Senior Management, and formal capital adequacy calculations are prepared and filed with the CBI following the preparation of quarterly accounts. The Firm employs automated tools to support the real-time monitoring of its capital position.

As at 31 December 2025, and at all times since receiving its regulatory approval on 1 December 2025, the Firm maintained capital resources in excess of its minimum regulatory requirements under IFR. The Firm only commenced trading activities on 16 February 2026 and was therefore not subject to any K-Factor requirements as at the reporting date.

Note: As T212 IE was incorporated on 21 January 2025 and received regulatory approval on 1 December 2025, no prior year comparative figures are available.

5.2 K-Factor Requirements

The table below sets out the Firm's K-factor requirements as reported in the 31 December 2025 IFREP return.

Group	K-factor	€'000
Risk to Client	Assets under management	-
	Client money held - Segregated	-
	Client money held - Non-segregated	-
	Assets safeguarded and administered	-
	Client orders handled - Cash trades	-
	Client orders handled - Derivatives trades	-
Risk to Market	K-Net positions risk requirement	-
	Clearing margin given	-
Risk to Firm	Trading counterparty default	-
	Daily trading flow - Cash trades	-
	Daily trading flow - Derivative trades	-
	K-Concentration risk requirement	-
Total K-factor requirement		**-**

5.3 Fixed Overheads Requirements

As the Firm was incorporated on 21 January 2025 and no prior year financial statements are available, the Fixed Overhead Requirement has been calculated on the basis of budgeted annual expenditure figures as disclosed in the Programme of Operations submitted to the CBI.

Requirement	**€'000**
Total expenses	9,834
- Of which were incurred by third parties	-
Total deductions	(3,639)
Staff bonuses and other remuneration	(564)
Employees', directors' and partners' shares in net profits	-
Other discretionary payments of profits and variable remuneration	-
Shared commission and fees payable	-
Fees, brokerage and other charges paid to CCPs that are charged to customers	(3,075)
Fees to tied agents	-
Interest paid to customers on client money where this is at the firm's discretion	-
Non-recurring expenses from non-ordinary activities	-
Expenditures from taxes	-
Losses from trading on own account in financial instruments	-
Contract based profit and loss transfer agreements	-
Expenditure on raw materials	-
Payments into a fund for general banking risk	-
Expenses related to items that have already been deducted from own funds	-
Total Expenses less deductions	6,195
Fixed Overhead Requirement	1,549

6. Remuneration Policies

6.1 Introduction

T212 IE is subject to the remuneration disclosure requirements of Article 51 of IFR. The Firm is required to disclose key features of its remuneration policies, the decision-making processes underpinning remuneration outcomes, the linkages between pay and performance, and quantitative remuneration information for staff whose professional activities have a material impact on the Firm's risk profile.

The Firm's Remuneration Policy identifies the categories of staff subject to enhanced remuneration requirements, including Senior Management, staff engaged in control functions, and employees whose total remuneration is comparable to that of senior management or material risk takers.

6.2 Governance

The Board has established the Remuneration & Nominations Committee ("RNC") as the primary governance body with responsibility for the Firm's remuneration framework. The RNC is responsible for setting and overseeing the implementation of the Firm's firm-wide remuneration policy, ensuring that remuneration outcomes are appropriate having regard to the Firm's risk profile and long-term objectives, and ensuring compliance with applicable regulatory requirements including the IFD and related EBA guidance. The members of the RNC are the Non-Executive Directors of the Firm.

6.3 Remuneration Criteria

Performance-based remuneration is determined by reference to an assessment of the Firm's performance against its budget and a set of defined financial and non-financial Key Performance Indicators ("KPIs") including compliance with internal procedures and regulatory obligations.

The sustainability of the Firm's financial position is also considered as an input to the remuneration pool determination, including the availability of resources to meet regulatory capital requirements, strategic growth objectives, distribution policy and other liquidity planning requirements. The Board determines the allocation to remuneration in accordance with the Remuneration Policy, on the recommendation of the RNC.

6.4 Criteria for Setting of Individual Remuneration

The Firm recognises the importance of attracting, retaining and motivating skilled senior management and material risk takers in delivering long-term value for shareholders. Individual remuneration is determined with reference to the following principles:

Fixed remuneration is set having regard to the individual's role, professional experience, seniority, qualifications, skills, responsibilities and the complexity of their position, together with prevailing local market conditions.

Variable remuneration is designed to motivate and reward strong performance, promote shareholder value and align with sound risk management. It reflects both financial and non-financial performance criteria, rewarding behaviours consistent with the Firm's values and long-term objectives. Performance-based remuneration is granted at the sole discretion of the Board; no employee has a contractual entitlement to variable pay unless and until it is formally awarded. Guaranteed variable remuneration is not generally provided, though it may be offered in exceptional circumstances.

6.5 Design Characteristics of the Firm's Remuneration System

6.5.1 Remuneration System

The Firm's remuneration framework has been designed to deliver a firm-wide policy that promotes sound and prudent risk-taking, links remuneration to sustainable performance and complies fully with applicable regulatory requirements. Key design features include a stringent governance structure for goal-setting and communication, the integration of financial and non-financial performance objectives, the inclusion of compliance and risk management criteria in performance assessments, the identification of material risk takers and the alignment of their incentive structures with long-term prudent risk-taking. The variable component of total remuneration does not exceed 100% of the fixed component for any individual.

Proportionality has been applied as;

- The Firm is a class 2 MiFID Investment firm with a medium-low prism rating, based on the wholesale nature of the business servicing affiliate eligible counterparties only, having no client assets, does not manage portfolios, underwrite, or place financial instruments.
- The Firm is privately owned with no instruments available for variable remuneration. The Ultimate Beneficial Owners of the Firm (UBOs) are satisfied not to defer variable remuneration over three or more years, as the Firm does not currently have on and off-balance sheet assets greater than €100m over the preceding four-years. In addition, staff earning bonuses less than €50,000 and not greater than 25% of their total remuneration will not be subject to deferred compensation. If the Firm or employees were to exceed these thresholds, 40% of the variable remuneration would be deferred over a three-year period, vesting in three equal tranches on the anniversary of the initial grant.

In accordance with applicable regulatory requirements, the Firm has developed a remuneration policy promoting gender neutrality, ensuring that all aspects of the remuneration policy are gender neutral, including the award and pay-out conditions for remuneration. Specifically, remuneration is dependent on objective and gender-neutral criteria such as:

- Educational and professional background;
- Place of employment and living costs;
- Hierarchical level of the staff and managerial responsibilities;
- Scarcity of staff available for specialised positions; and
- Appropriate benefits, including the payment of additional household and child allowances to staff with spouses and dependent family members.

6.5.2 Performance Measurement Criteria

All employees participate in an annual performance appraisal process, during which Senior Management evaluates each staff member's performance against previously agreed functional and personal goals, assesses their contribution to their business area and the overall performance of the Firm, and sets new objectives for the coming year. Recommendations on individual variable remuneration are aggregated into the variable performance pool and presented to the RNC for approval. Total remuneration reflects the combined assessment of individual performance, business unit performance and the overall results of the institution.

6.5.3 Risk Adjustment

The Firm may apply risk adjustments to variable remuneration to reflect crystallised risks or adverse performance outcomes, including those arising from misconduct. Risk adjustment mechanisms include reductions to current-year variable remuneration, the application of malus (reducing unvested amounts) and clawback (recovering amounts already paid). Malus or clawback of up to 100% of variable remuneration may be applied where a staff member has participated in or been responsible for conduct that resulted in significant losses to the Firm, or where they have failed to meet applicable standards of fitness and propriety.

6.5.4 Payment

Variable remuneration is paid only where it is sustainable in light of the Firm's overall financial position and is justified by the performance of the Firm. The structure and timing of payments are determined by the Board in a manner consistent with the business cycle, the nature of the Firm's activities and the risk profile of the relevant staff member.

6.5.5 Aggregate Quantitative Information on Remuneration for Staff Who Have a Material Impact on the Risk Profile of the Institution

For the financial year ended 31 December 2025, one staff member was identified as having a material impact on the Firm's risk profile.

Item	**€'000**
<u>Fixed Remuneration:</u>	177
<u>Variable Remuneration:</u>	34
Of which:	
- Cash	34
Total Remuneration:	211

Deferred Remuneration	
Awarded during 2025:	-
Paid during 2025:	-
Reduced through performance adjustments:	-
Guaranteed variable remuneration:	-
Severance Payments	
Upfront:	-
Deferred:	-

7. Investment Policy

As at 31 December 2025, T212 IE did not hold any shares for its own account, in the capacity of a liquidity provider.

In accordance with Article 52(2) of IFR, the investment policy disclosure obligations apply only in respect of shares admitted to trading on a regulated market where the proportion of voting rights held by the Firm exceeds 5% of the total voting rights attached to the shares of that company. As at 31 December 2025, T212 IE did not hold any voting rights meeting this threshold and accordingly no further investment policy disclosures are required under Article 52 of IFR.

8. ESG

8.1 Regulatory Requirements

In accordance with Article 53 of IFR, investment firms that do not meet the criteria set out in Article 32(4) of the IFD are required to disclose information on environmental, social and governance risks, including physical risks and transition risks as defined in Article 35 of the IFD. Required disclosures include:

- A definition of ESG risks, including physical and transition risks, together with qualitative and quantitative criteria and metrics for assessing such risks and a methodology for evaluating the likelihood of such risks arising over the short, medium and long term.
- An assessment of the potential for significant concentrations of specific assets to amplify the Firm's exposure to ESG risks.
- A description of the processes used by the Firm to identify, assess and manage ESG risks.
- The criteria, parameters and metrics used to assess the impact of ESG risks for the purposes of the supervisory review and evaluation process.

8.2 Environmental Risk

Environmental risk encompasses two principal categories:

(i) Physical Risks arise from the direct consequences of climate change, including extreme weather events such as flooding, wildfires or storms, and longer-term climatic shifts such as rising sea levels and increased average temperatures. These risks may affect the Firm directly, through disruption to its operations and infrastructure, or indirectly, through impacts on clients or counterparties. T212 IE seeks to mitigate physical risks through a geographically distributed technology infrastructure, a dispersed employee base and a high degree of system redundancy, which together reduce the Firm's vulnerability to localised climate-related disruptions.

(ii) Transition Risks, which result from transitioning to a lower-carbon economy, which may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change. The Firm foresees potential opportunities in mitigating climate change, emphasizing energy efficiency and waste reduction to lower fixed operational expenses although the Firm is unable to quantify such opportunities or the success in implementing.

8.3 Social Risk

Social risk is the risk that factors relating to people and society — including client protection, employee relations, human rights, labour standards and community impact — have an adverse financial effect on the Firm, its invested assets or its counterparties.

T212 IE may also face social risk arising from its own operations, for example through failure to comply with regulatory requirements or industry standards in areas such as workplace health and safety, inclusivity or gender equality. Such failures may manifest as reputational or conduct risk.

Mitigating Measures:

- The Firm maintains employment policies that promote equality, diversity and inclusion and comply with applicable Irish employment law.
- Compliance frameworks, including robust complaints handling, execution policies and appropriate client categorisation, are in place to ensure the fair treatment of all clients.

8.4 Governance Risk

Governance risk is the risk that failures in organisational governance — including weaknesses in risk management, transparency, conflict of interest management, board composition, ethical standards, internal communication, executive compensation or integrity — result in adverse financial outcomes for the Firm, its invested assets or its counterparties. Governance risk may also manifest as reputational or conduct risk within the Firm's own operations.

Mitigating Measures:

- The Firm has adopted clear codes of conduct, anti-corruption policies and whistleblower mechanisms to promote integrity and ethical behaviour at all levels of the organisation.
- The Board provides oversight of the governance framework and ensures appropriate segregation of duties, effective management of conflicts of interest and transparency in decision-making.
- The ARCC and RNC provide independent oversight of the Firm's risk management, financial reporting and remuneration practices.

- Governance risk factors are embedded within the Firm's Risk Taxonomy and are monitored through the RMF.

Appendix 1

		Statement of Financial Position as published in financial statements
		As at 31 December 2025 period end (€'000)
1	Cash at bank	18,966
2	Trade & Other receivables	89
3	Deferred tax asset	143
4	Property, plant and equipment	28
	Total assets	19,226
1	Trade & Other Liabilities	(207)
	Total Liabilities	(207)
	Net Assets	19,019

Shareholders' Equity		
1	Share Capital	20,000
2	Retained earnings	(981)
	Total shareholders' equity	19,019

Appendix 2

		Amounts €'000
Own funds	0010	18,876
Tier 1 Capital	0020	18,876
Common Equity Tier 1 Capital	0030	18,876
Fully paid up capital instruments	0040	20,000
Share premium	0050	
Retained earnings	0060	
Previous years retained earnings	0070	
Profit eligible	0080	
Accumulated other comprehensive income	0090	
Other reserves	0100	
Minority interest given recognition in CET1 capital	0110	
Adjustments to CET1 due to prudential filters	0120	
Other funds	0130	
(-)Total deductions from Common Equity Tier 1	0140	(1,124)
(-) Own CET1 instruments	0150	
(-) Direct holdings of CET1 instruments	0160	
(-) Indirect holdings of CET1 instruments	0170	
(-) Synthetic holdings of CET1 instruments	0180	
(-) Losses for the current financial year	0190	(981)
(-) Goodwill	0200	

(-) Other intangible assets	0210	
(-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	0220	(143)
(-) Qualifying holding outside the financial sector which exceeds 15% of own funds	0230	
(-) Total qualifying holdings in undertaking other than financial sector entities which exceeds 60% of its own funds	0240	
(-) CET1 instruments of financial sector entities where the investment firm does not have a significant investment	0250	
(-) CET1 instruments of financial sector entities where the investment firm has a significant investment	0260	
(-) Defined benefit pension fund assets	0270	
(-) Other deductions	0280	
CET1: Other capital elements, deductions and adjustments	0290	
Additional Tier 1 Capital	0300	
Fully paid up, directly issued capital instruments	0310	
Share premium	0320	
(-) Total deductions from Additional Tier 1	0330	
(-) Own AT1 instruments	0340	
(-) Direct holdings of AT1 instruments	0350	
(-) Indirect holdings of AT1 instruments	0360	
(-) Synthetic holdings of AT1 instruments	0370	
(-) AT1 instruments of financial sector entities where the investment firm does not have a significant investment	0380	
(-) AT1 instruments of financial sector entities where the investment firm has a significant investment	0390	
(-) Other deductions	0400	

Additional Tier 1: Other capital elements, deductions and adjustments	0410	
Tier 2 Capital	0420	
Fully paid up, directly issued capital instruments	0430	
Share premium	0440	
(-) Total deductions from Tier 2	0450	
(-) Own T2 instruments	0460	
(-) Direct holdings of T2 instruments	0470	
(-) Indirect holdings of T2 instruments	0480	
(-) Synthetic holdings of T2 instruments	0490	
(-) T2 instruments of financial sector entities where the investment firm does not have a significant investment	0500	
(-) T2 instruments of financial sector entities where the investment firm has a significant investment	0510	
Tier 2: Other capital elements, deductions and adjustments	0520	