TRADING 212

Trading 212 UK Limited
MIFIDPRU Disclosure
Year ended 31 December 2024

IFPR disclosure

Year ended 31 December 2024

Contents

Overview

This disclosure is in relation to Trading 212 UK Limited ("T212 UK" or the "Firm"). T212 UK is a private company limited by shares and was incorporated in England and Wales with registration number 08590005. Its registered office is 10-15 Queen Street, Aldermary House, London, EC4N 1TX.

T212 UK is authorised and regulated by the Financial Conduct Authority ("FCA") (FRN: 609146) with permissions which allow its customers to trade stocks through its proprietary trading platform and mobile app as well as entering into Contracts for Difference ('CFDs') on a range of asset classes. The firm also introduced a Cash ISA savings product and a debit card product (in partnership with Paynetics UK Limited) during 2024.

As a UK investment Firm undertaking activities within the scope of the UK Markets in Financial Instruments Directive ("MIFID"), T212 UK is subject to the prudential requirements of the Investment Firms Prudential Regime ("IFPR") which is contained in the MIFIDPRU Prudential sourcebook for MIFID Investment Firms of the FCA Handbook.

IFPR is the FCA's new prudential regime for investment Firms which aims to streamline and simplify the prudential requirements for MiFID investment Firms. The IFPR hopes to refocus prudential requirements and expectations away from the risks the Firm faces, to also consider and manage the potential harm the Firm itself can pose to consumers and markets.

Under the rules, which came into force on 1 January 2022, T212 UK is required to publish disclosures in accordance with the provisions outlined in MIFIDPRU 8 of the IFPR. These requirements are supplemented by the guidance set out in MIFIDPRU 8 published by the FCA.

According to the IFPR's Firm categorisation, T212 UK is a non-small and non-interconnected ("non-SNI") MIFIDPRU investment Firm due to the fact that it safeguards and administers assets, holds client money and deals on own account (on a matched principal basis).

This disclosure is published annually on a solo entity (i.e. individual) basis and therefore relates to T212 UK only. The reference date is 31 December 2024 which corresponds to the end of T212 UK's financial year.

Governance (MIFIDPRU 8.3)

T212 UK's corporate governance framework is designed to be proportional to the size and complexity of the Firm and has been appropriately designed to manage the risk of the Firm's activities. T212 UK is a private organisation; therefore, the UK Corporate Governance Code does not need to be adhered to in full, however the Firm supports and applies the key principle of the code and ensures that its governance processes continue to follow relevant best practice. The three core principles which T212 UK ensures to comply with are:

1. The Board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions and satisfy itself on the integrity of financial and narrative statements.
2. The Board should present a fair, balanced, and understandable assessment of the company's position and prospects.
3. The Board should establish procedures to manage risk, oversee the internal control framework, and determine the nature and extent of the principal risks the company is willing to take in order to achieve its long-term strategic objectives.

The Board delegates authority to sub committees:

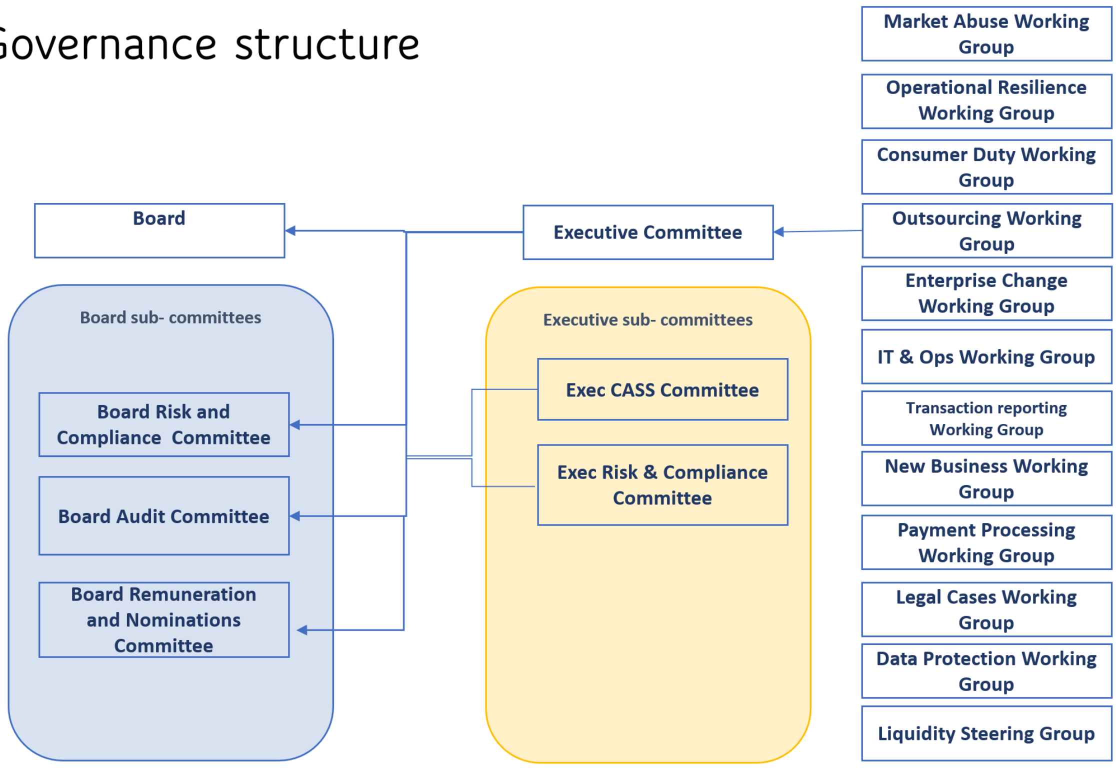
1. Board Audit Committee
2. Board Risk and Compliance Committee; and
3. Board Remuneration and Nominations Committee

There are three executive committees:

1. Executive Committee
2. Executive Risk and Compliance Committee; and
3. Executive CASS Committee

Additionally, there are several working groups reporting into the executive and sub executive committees as illustrated in the diagram below.

Governance structure



Committee Overview

<u>The Board</u>

The Board is collectively responsible for the direction and oversight of T212 UK within a framework of prudent and effective controls which enables risks to be assessed and managed, for setting the "tone from the top", setting the target culture and providing leadership to ensure the long-term sustainability of the Firm. Specifically, in relation to risk management, The Board is responsible for agreeing that the risk management framework is fit for purpose, setting the Firm's appetite for risk and understanding and appropriately monitoring risk exposures to ensure compliance with limits and tolerance.

The responsibilities of The Board include: -

- Establishing strategy and the Target Operating Model.
- Setting the Vision, Values and Culture.
- Review and approval of corporate plan and budget.
- Oversight of a framework of prudent and effective controls to assess and manage risk.
- Ensuring necessary resources are in place to meet objectives and measure performance against them.

- Ensuring compliance with governing laws, rules, and regulations.
- Engagement with shareholders and other stakeholders.
- Committee oversight.
- Ratification and decision making.

The Board meets at least six times per year and as required.

<u>Board Audit Committee</u>
The role of the Board Audit Committee is to assist The Board in its oversight of the integrity of the Firm's risk and controls framework to ensure compliance with the relevant governing laws, rules, regulations, and codes, and to discharge such other responsibilities as are delegated to it by The Board.

The Board Audit Committee is responsible for: -

- Oversight of internal audit arrangements.
- Reviewing financial accounts and reporting and making recommendations to The Board for approval.
- Ensuring that a risk management framework is implemented by the Firm which covers all risk areas.
- Providing input to The Board on its assessment of enterprise risks and the determination of risk appetite for current and future strategy.
- Reviewing and recommending approval of the ICARA to The Board, including stress testing, wind-down plan and the recovery plan.
- Reviewing and commenting upon the appropriateness of the company's processes and controls framework over financial reporting, client money and assets, senior managers and certification regime (SMCR) and compliance.

The committee meets at least six times per year and as required. Please refer to the terms of reference (appendix 12.11) for more detail on the responsibilities and membership of the committee.

<u>The Board Risk and Compliance Committee</u>
The role of The Board Risk and Compliance Committee is to ensure appropriate identification, management, monitoring and incident / breach responses manage all risk types including liquidity, credit, market and non-financial risk. The Board Risk and Compliance Committee is responsible for:

- Reviewing Risk Management Framework, Process and Controls Framework, compliance monitoring plan and risk governance documentation.

- Recommending risk strategy.
- Monitoring of emerging risks, new legal cases, regulatory and compliance standards.
- Monitoring and notification to BRCC of incidents, breaches of risk appetite or compliance, wind-down plan and recovery plan.
- Overseeing management of capital and liquidity.
- Overseeing operational resilience and critical outsourcing frameworks.
- Overseeing management of all risk matters, including conduct, credit, market and non-financial risk.
- Reviewing and commenting upon the appropriateness of the company's processes and controls framework over financial reporting, CASS, SMCR and Compliance.

The committee meets monthly or as frequently as required.

<u>Board Remuneration and Nomination Committee</u>

The role of the Remuneration and Nomination Committee is to set the policy for the remuneration of executive management and reviewing the composition of The Board. The remuneration and nomination committee is responsible for:

- Determining targets for performance related pay and risk adjustment.
- Determining the total individual remuneration package of each executive director.
- Promotions and succession planning.
- Reviewing the composition of The Board, including diversity, and managing the search and selection processes for new Board Directors.
- Overseeing the appointment of Directors and monitoring the independence of non-executive directors.

The committee meets biannually or as frequently as required. Please refer to the terms of reference for more detail on the responsibilities and membership of the committee.

<u>Executive Committee</u>

The role of the Executive Committee is to manage and oversee the day-to-day activities of T212. The executive committee is responsible for: -

- Managing the company in accordance with the company's mission, vision, values, and long-term strategy.
- Implementing appropriate policies, procedures, controls, and monitoring tools to allow risk to be identified, assessed, and managed in alignment with the risk framework and risk appetite.
- Managing the company in accordance with the budget.

- Ensuring appropriate processes are in place to allow the Firm to comply with all governing laws, rules, and regulations.
- Managing the capital and liquidity of the Firm in accordance with the risk appetite of the Firm and the long-term strategy.
- Delivering the ICARA, Wind-Down Plan and Recovery Plan to The Board for approval.
- Development and approval of people strategy.
- Procuring appropriate facilities, equipment, and tools such that the company can operate effectively.
- Undertaking assessments of potential impacts of new products or business strategies.
- Managing third party and affiliate supplier relationships.

The committee meets quarterly or as frequently as required.

<u>Executive Risk and Compliance Committee</u>
The role of the Executive Risk & Compliance Committee is to support the Board Risk and Compliance Committee by drafting, maintaining, and implementing the necessary frameworks, plans, and reporting to ensure appropriate identification, monitoring, and escalation of all risk types, including liquidity, credit, market, and non-financial risks. The Executive Risk and Compliance Committee is responsible for:

- Drafting and maintaining the Risk Management Framework, Process and Controls Framework, compliance monitoring plan, and risk governance documentation for review and approval by the Board Risk and Compliance Committee (BRCC).

- Developing and proposing updates to the firm's risk strategy, aligned with regulatory expectations and business developments.

- Identifying and monitoring emerging risks, legal and regulatory developments, and compliance trends, and escalating material matters to the BRCC.

- Recording and escalating incidents, breaches of risk appetite or compliance obligations, and maintaining the wind-down and recovery plans for BRCC oversight.

- Preparing analysis and reporting on capital, liquidity, and funding risk positions for Board and regulatory reporting.

- Maintaining operational resilience plans and critical outsourcing registers, and proposing updates where required.

- Preparing reports and recommendations relating to conduct, credit, market, operational, compliance, and other non-financial risk matters.

- Drafting updates to the financial reporting controls framework, CASS compliance framework, SMCR processes, and broader compliance obligations for Board review.

The committee meets monthly or as frequently as required to ensure timely preparation and escalation of risk and compliance matters to the Board Risk and Compliance Committee.

Executive CASS Committee
The role of the CASS committee is to ensure compliance with the FCA's Client Assets Sourcebook (CASS). The committee is responsible for:
- Review, design, and operational effectiveness of the CASS controls.
- Monitor the performance of T212 UK in its performance of any CASS related services (if applicable).
- Oversee and monitor management's remediation plans with respect to issues identified in the internal / external audit.
- Monitor upcoming or proposed changes to the T212 business model that will impact CASS arrangements or changes to the existing CASS rules.
- To escalate any CASS related issues to The Board of T212.

The committee meets monthly or as frequently as required save for August and December.

Directorships

As at 31 December 2024, the Board comprised 3 executive and 3 non-executive directors. Collectively, those directors held a total of 5 additional directorships.

Approach to diversity

The Firm's emphasis on and commitment to promoting a diverse workplace are set out in the "Diversity, Inclusion and Dignity at Work" policy.

It is in the Board's terms of reference to consider and establish appropriate policies and initiatives to enhance diversity and inclusion within the Company and Board membership, including but not limited to, gender and racial diversity, and diversity in skills, thinking, experience and background.

It is also stated that the composition of the Board should have the appropriate balance of diversity, skills, experience, independence and knowledge of the Company to enable it to discharge its duties and responsibilities effectively.

The remuneration and nomination committee leads the process for appointments and reappointments to the Board and Board sub-committees and making recommendations to the Board having due regard to the benefits of diversity in all its forms. It has a responsibility to recommend to the Board any necessary changes to its composition and that it is regularly reviewed and refreshed (including the skills, knowledge, experience and diversity). The committee meets biannually or as frequently as required.

The objective for T212 UK is to promote a diverse composition of the management body appropriate to the size of the UK business. Currently the Firm has achieved a good diversity given its relative size, but the aim is to continue to further enhance its diversity through the processes laid out above.

Risk management objectives and policies (MIFIDPRU 8.2)

In executing its business strategy, T212 UK is exposed to potential harm from its operating activities, as are the Firm's clients and the wider market as a whole. Trading 212 has formally recognised a series of risks that are continuously present and materially impact the achievement of Trading 212's objectives. Together these risks account for the majority of the total risk faced by the Firm. These are collectively referred to as Principal Risks and are Strategic Risk, Credit Risk, Market Risk, Liquidity Risk and Operational Risk (Non-Financial Risk), all of which have potential to cause harm, whereby the Firm's own funds resources or liquid assets may be impacted.

This section describes the risk management framework which allows T212 UK management to identify key internal and external risks and manage them through a comprehensive control framework.

Three lines of defence

The three lines of defence operating model enables Trading 212 UK to separate risk management activities between those that: -

- Manage P&L, take risks, and implement first line controls (1LOD).
- Provide second line risk management activity, second line controls and oversee and challenge 1LOD (2LOD).
- Provide assurance that the ERM Framework and associated processes are fit for purpose, and that they are being executed as intended (3LOD).

<u>First Line</u>

All Businesses, operations and technology fall into 1LOD.

1LOD activities are characterised by: -

- Accountability and direct responsibility for Trading 212 UK's returns or elements of Trading 212 UK's P&L
- Direct linkage of objective setting, performance assessment and reward to P&L performance.
- Accountability and responsibility for ownership of major operations, systems, and processes fundamental to the operation of the Firm.

With respect to risk management, 1LOD responsibilities include: -

- Ensuring, in collaboration with 2LOD, that risks in the business are identified and that they are managed and controlled (including trading positions, operational risks etc.) within approved mandates, as documented under the key risk control frameworks, including embedding a supportive risk culture.
- Collaborate with 2LOD on implementing and improving risk management processes and controls.
- Monitor the effectiveness of 1LOD risk controls and the risk profile compared to the approved risk appetite.
- Maintain an effective control environment across all risks, processes and operations arising from the business, including implementing standards to meet group policies.

Second Line

The Risk, Compliance and Legal departments form 2LOD.

2LOD activities are characterised by: -

- Ensuring, in collaboration with 1LOD, risks in each business area are identified and that they are managed and controlled.
- Oversight, monitoring and assessment of the risk profile.
- Independent challenge of 1LOD to ensure that their responsibilities are carried out effectively
- Design, implementation, and operation of key risk control frameworks impacting the activities of 1LOD.
- Operation of 2LOD risk management activities.
- No direct linkage of objective setting, performance assessment and reward to revenue (measures related to mitigation of losses and balancing risk and rewards are permissible).

With respect to risk management, 2LOD responsibilities include: -

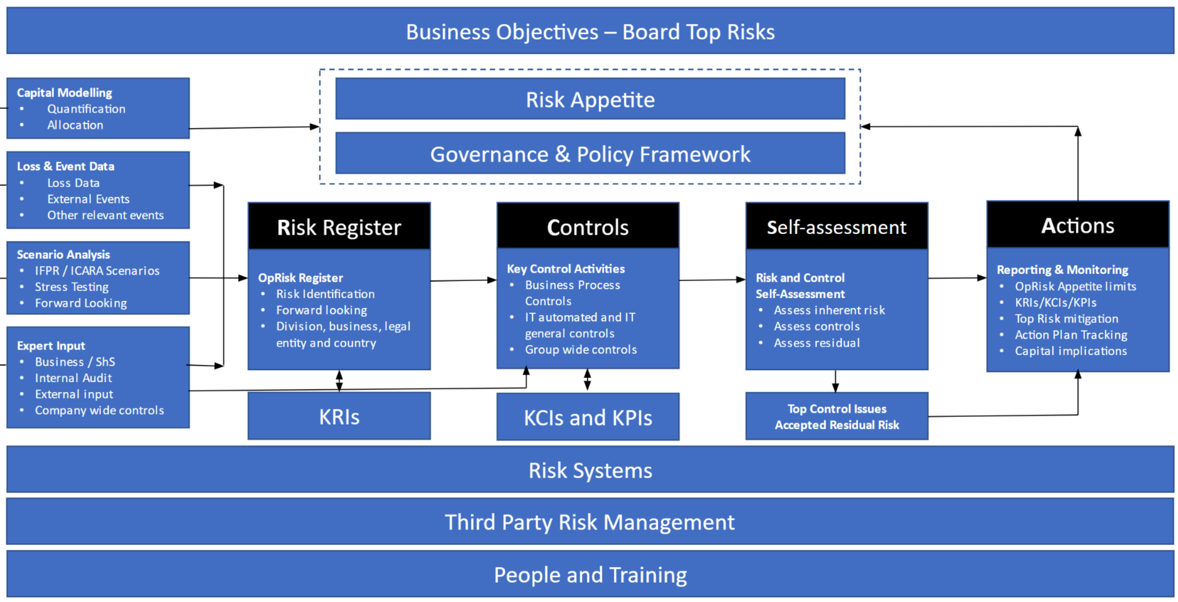
- Define the Enterprise Risk Management Framework.
- Establish the control environments for key risks, including key risk control frameworks, policies and standards.
- Define delegated discretions and set limits within the control frameworks to empower risk taking by 1LOD.
- Define and operate approval processes for certain decisions within 2LOD to protect the Firm from material risks, where required..

- Communicate, educate and advise 1LOD on their understanding of the risk framework and its requirements.
- Collaborate with 1LOD to support business growth and drive an appropriate balance between risk and reward without diminishing their independence from 1LOD (for instance analysing expected losses and their relationship with revenue performance).
- Report on the effectiveness of the risk and control environment to executive management and Board committees.

<u>Third Line</u>

Audit (internal and external) form the third line of defence to provide independent and timely assurance to the board and executive management over the effectiveness of governance, risk management and control in both 1LOD and 2LOD.

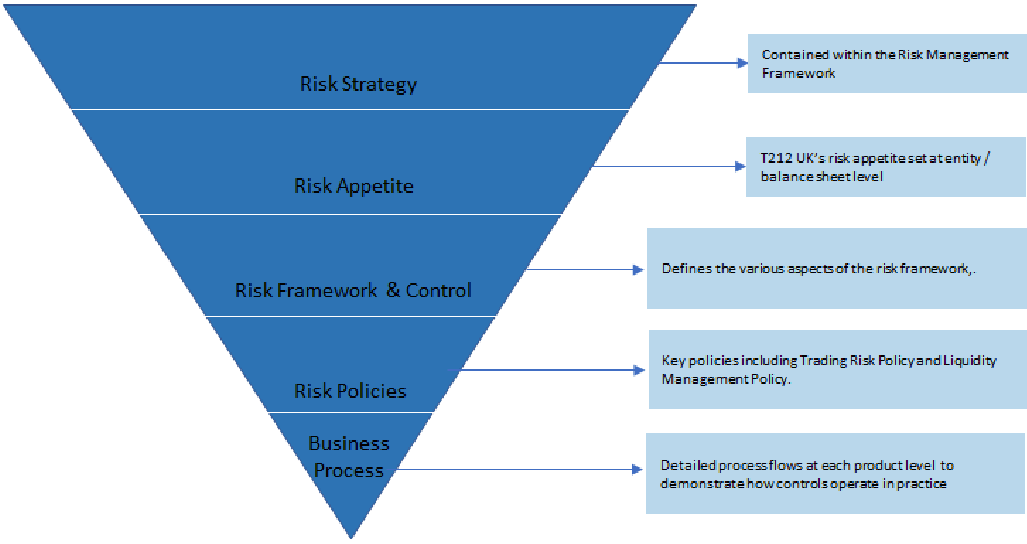
Enterprise Risk Management Framework and Assessment



T212 UK's Enterprise Risk Management Framework (ERMF) sets out how the Firm manages risk throughout the business and how that framework is maintained. The framework outlines processes, ownership and responsibilities and the risk oversight required to support effective implementation across T212 UK. The Framework governs Firm's approach to the management of all risks arising from financial, economic, operational and behavioural factors.

Risk Appetite sets out the overall attitude to risk, the ranges and limits of acceptable risk taking. Risk Policies define the approach to risk management and establish the controls, procedures, limits and escalation to ensure that the risks are managed in line with the risk appetite. The T212 UK Board challenges how the risk framework is functioning.

The components of the ERMF are shown in the figure below:



Risk Appetite

Risk appetite limits are set and monitored to ensure that the business does not take on risk that is outside the agreed strategy and capability of T212 UK to manage. Overall, risk appetite is set by T212 UK's Board. The business owners and functional leads are responsible for ensuring that the business is run within the risk appetite limits set by the Board, with performance against limits being reported at the appropriate governance committees for monitoring. In determining the level of risk the Board is willing to accept, and the metrics used to measure that risk, the Board has considered the following factors:

- The financial, human, and technological resources of the Firm.
- Potential impact to the Firm's reputation.
- Level of risk inherent in the business.
- Time horizon relevant to the risk.
- The strategic direction of the Firm.
- Regulatory requirements.

T212 UK has developed a set of risk appetite statements and measures that are both qualitative and quantitative. The risk appetite defines the quantum of risk the Firm is willing to accept to achieve its strategic objectives.

T212 UK's risk appetite is framed by the constraints defined in the laws, regulations, and standards of best practice guidelines; the strategy defined by the T212 UK Board and those embedded in the Firm's business decisions/practices, operational strategies, policies, limits and governance framework. As such, across the organisation, the risk appetite is evidenced and demonstrated in varying terms – as quantitative, qualitative, and tolerance risks in line with its regulatory obligations.

Risk Appetite provides a structured approach to:

- Periodically assessing the levels and types of risk undertaken by the Firm.
- Setting risk limits and tolerance levels to ensure that risks undertaken are within established levels and / or confirm to the overall risk appetite.
- Develop risk policies to set and define the boundaries on the types of risks T212 UK is prepared to assume; and specify the way the organisation (and relevant functions) assumes these risks.
- Measure and evaluate T212 UK's risk profile, which represents the risks the organisation is exposed to, relative to the risk appetite.

T212 UK's management have considered the business model and strategy and have identified several Key Risks that sit under the hierarchy of the Principal Risks and allow for a more granular assessment of Trading 212's risk profile. Risk Appetite is tracked across these key risks:

Strategic Risk:

Strategy Creation Risk	Risk that the Firm fails to establish an effective corporate strategy due to a lack of innovation; an inability to articulate key objectives; or due to limitations driven by the Group's structure.
Strategic Delivery Risk	Risk that the firm fails to meet its strategic objectives, resulting in reduced growth opportunity and damaged Board/ investor confidence.

Credit Risk

Credit Processing Risk	Risk that processes required to accurately define and assess our credit exposure are ineffective or incorrectly executed.
Credit Appetite Risk	Risk that the Firm fails to define and maintain its credit policy resulting in lending falling out of appetite and/ or financial loss due to defaulting.
Credit Event Risk	Risk of failure to identify forward looking credit trends or anticipate changes to counterparty profiles, resulting in a default event occurring.

Market Risk

Volatility Risk	Risk of an adverse change in price due to changes in market volatility.
Solvency Risk	Risk that the Firm is unable to meet their financial obligations when they fall due, even after the disposal of assets and cease to operate.

Liquidity Risk

Market Liquidity Risk	Risk that the Firm can not sell its assets quickly enough or at an acceptable price.
Liquidity Management and Monitoring Risk	Risk that the Firm's liquidity profile is ineffectively managed and/ or monitored resulting in an adverse liquidity position.

Operational Risk (Non-Financial Risk)

Execution, Delivery and Process Management Risk	Risk arising from inadequately designed or ineffectively executed operational processes, resulting in financial loss or client detriment.
Outsourcing / Third Party Risk	Risk that the Firm is negatively impacted due to ineffective onboarding of third parties, or ongoing management and

	oversight of existing third parties.
People Risk	Risk to achieving business objectives as a result of insufficient human capital in terms of numbers, focus, culture and skill set which could also result in poor client outcomes.
Conduct Risk	Risk of financial loss, reputational damage, or regulatory action stemming from inappropriate behaviours, actions, or decisions made by individuals or entities within the Firm.
Change Management Risk	Risk that projects and programmes fail to deliver committed outcomes, on time and to budget.
Regulatory Risk	Risk that the Firm breaches regulatory compliance resulting in fines or censure, including restriction or removal of regulatory permissions/ licences.
Financial Crime	Risk that the Firm processes and procedures are ineffective in preventing the facilitation of financial crime against the Firm or its clients.
Fraud Risk	Risk that the Firm's processes are ineffective in preventing or detecting fraud carried out against the Firm or its clients.
Technology and Data Risk	Risk associated with the use, ownership, operation, involvement, influence, and adoption of Data and Technology within T212.
Operational Resiliency Risk	Risk of not being able to continue activities in the event of a major disaster or risk of vulnerabilities that disrupt the Firm's ability to continue its essential operations and deliver critical products or services.
Product and Service Management Risk	Risk associated with ineffective design or management of products or services,

	resulting in financial loss or client detriment.

The risk categories above are managed using a mix of quantitative and qualitative measures.

Where quantitative risk appetite metrics are used, these are appropriately measured to:

- Restrict business activity to limits within Board risk appetite.
- Inform management of the risk being taken at T212 UK.
- Support business planning.
- Promptly identify areas where T212 UK needs to mitigate risk.

Quantitative risk metrics are assigned a trigger level, known as an 'early warning indicator' (EWI), corresponding to the point at which intervention is considered, plus a limit representing T212 UK's risk appetite.

Each quantitative metric has an amber and red trigger, these triggers were approved by The Board at least annually.

Own Funds (MIFIDPRU 8.4)

T212 UK's own funds are set out in the table below. The figures are from the latest audited financial statements of the Company as at 31 December 2024.

Table OF1 – Composition of regulatory own funds

	Item	Amount (£'000s)	Source based on reference numbers/letters of the balance sheet in the audited financial statements
1	**OWN FUNDS**	**156,190**	Statement of changes in equity
2	**TIER 1 CAPITAL****	**156,190**	Statement of changes in equity
3	**COMMON EQUITY TIER 1 CAPITAL****	**156,190**	Statement of changes in equity
4	Fully paid-up capital instruments	24,561	Note 18
5	Share premium	0	
6	Retained earnings	131,629	Statement of changes in equity
7	Accumulated other comprehensive income	0	
8	Other reserves	0	
9	Adjustments to CET1 due to prudential filters	0	
10	Other funds	0	
11	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	0	
19	CET1: Other capital elements, deductions and adjustments	0	
20	**ADDITIONAL TIER 1 CAPITAL**	**0**	
21	Fully paid up, directly issued capital instruments	0	
22	Share premium	0	
23	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	0	
24	Additional Tier 1: Other capital elements, deductions and adjustments	0	
25	**TIER 2 CAPITAL**	**0**	
26	Fully paid up, directly issued capital instruments	0	
27	Share premium	0	
28	(-) TOTAL DEDUCTIONS FROM TIER 2	0	
29	Tier 2: Other capital elements, deductions and adjustments	0	

***The Tier 1 and Common Equity Tier 1 (CET1) capital disclosed above includes audited profits for the financial year ended 31 December 2024, as per the statutory accounts signed in April 2025. As a result, this figure differs from the regulatory capital reported in the firm's MIFIDPRU returns as at 31 December 2024, which excluded unaudited profits in line with applicable regulatory reporting requirements.*

Table OF2 – 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 table OF1
		31 Dec 2024	**31 Dec 2024**	
No.	**Items**	**Amount (£'000s)**	**Amount (£'000s)**	
Assets - Breakdown by asset classes according to the balance sheet in the audited financial statements				
1	Property, plant and equipment	1,634		
2	Trade and other receivables	38,139		
3	Cash and cash equivalents	100,461		
4	Current asset investments	53,928		
	Total assets	**194,162**		
Liabilities - Breakdown by liability classes according to the balance sheet in the audited financial Statements				
	Deferred tax liability	41		
	Lease Liabilities	1,532		
	Trade and other liabilities	35,775		
	Provisions	624		
	Total liabilities	**37,972**		
Shareholders' Equity				
1	Share capital	24,561	24,561	Item 4
2	Retained earnings	131,629	131,629	Item 6
3	**Total Shareholders' equity**	**156,190**		

T212 UK's own funds are solely composed of fully paid capital instruments and retained earnings, which are accounted for within shareholders' equity.

Issued share capital of the Company consists of 24,560,900 ordinary shares of £1 each. The holders of ordinary shares are entitled to receive dividends as declared from time to time.

Own Funds Requirements (MIFIDPRU 8.5)

T212 UK calculated its own funds requirement as at 31 December 2024 in accordance with MIFIDPRU 4.3.

The own funds requirement corresponds to the higher of the Fixed Overhead Requirement ("FOR"), the Permanent Minimum Requirement ("PMR") and the K-Factor Requirement ("KFR").

Own fund requirement as at 31 December 2024 is set out in the table below:

Description	**Amount (£'000s)**
Permanent Minimum Capital Requirement ("PMR")	**750**
Fixed Overhead Requirement ("FOR")	**25,999**
Sum of K-ASA, K-CMH, K-COH	8,743
Sum of K-NPR	16,334
Sum of K-TCD. K-DTF	6,543
Total K-Factor Requirements	**31,620**
Own Funds Requirement (maximum of PMR, FOR and K-Factor Requirement)	**31,620**

ASA – Assets safeguard and administered.
CMH – Client money held.
COH – Client orders handled.
NPR – Net positions risk.
TCD – Trading counterparty default.
DTF – Daily trading flow.

Approach to assessing the adequacy of own funds

Under MIFIDPRU 7, T212 UK is required to assess its own funds adequacy in accordance with the Overall Financial Adequacy Rule ("OFAR"). This has been done through the Internal Capital And Risk Assessment ("ICARA") process. The Firm must hold at all times own funds and liquid assets which are adequate, both in amount and in quality. This is to ensure that the Company remains financially viable throughout the economic cycle, with the ability to address any material potential harm as well as being able to wind down in an orderly manner.

The ICARA process resulted in additional capital being required to address firm-specific risks not fully captured by the IFPR framework.

Remuneration policy and practices (MIFIDPRU 8.6)

The Remuneration and Nomination Committee determines the remuneration strategy for the Firm and establishes the Remuneration Policy. This is ratified by the Board.

T212 UK's remuneration policy is designed to achieve an appropriate alignment of risk and reward such that it is based on company financial and individual performance and is weighted by the company's strategic and personal objectives. Such objectives are based on the role and are therefore gender neutral in line with the Equality Act 2010.

T212 UK's remuneration policy has been created and is reviewed annually by the Board. The policy is designed to achieve an appropriate alignment of risk and reward such that it:

- Promotes sound and effective risk management;
- Aligns employee's interests with T212 UK's long-term strategy and objectives;
- Encourages responsible business conduct;
- Encourages prudent risk-taking;
- Discourages risk-taking that could exceed T212 UK's levels of tolerated risk;
- Avoids conflict of interest from arising;
- Considers standards and behaviours in regard to environmental, social and governance issues;
- Ensures the capital base of the Firm is not put at risk by its remuneration incentives;

- Is gender neutral, in line with the Equality Act 2010; and
- Consider both financial and non-financial measures.
- As at the reporting date, the Firm has set the variable remuneration of its staff in a manner which considers their individual performance and the performance of the Firm.

Staff are remunerated with both fixed and variable remuneration (bonuses) in the form of cash. The variable remuneration is discretionary with eligibility reviewed annually at the Remuneration and Nomination Committee. Other benefits are also available including pension contributions, death in service and health insurance.

During 2024, staff remuneration can be broken down as follows:

	Staff Number	Fixed Remuneration	Variable remuneration	Total
Directors	6	1,109,046	1,090,000	2,199,046
Other material risk takers	12	1,405,655	347,000	1,722,587
Other staff	75	2,557,936	439,000	3,027,004
Total	**93**	**5,072,637**	**1,876,000**	**6,948,637**

Staff numbers are as at 31 December 2024 but remuneration relates to all staff employed during the year, some of whom will have left or joined during the year.

All remuneration is in cash, none is deferred or relates to previously deferred amounts. Employer pension contributions have been included in fixed remuneration.

No variable remuneration is guaranteed.

There were two severance payments awarded during the financial year.

Investment Policy (MIFIDPRU 8.7)

In accordance with MIFIDPRU 8.7.6 a firm is only required to disclose information in relation its investment policy if the following circumstances are applied:

- Only in respect of a company whose shares are admitted to trading on a regulated market;
- Only where the proportion of voting rights with the MIFIDPRU investment firm directly or indirectly holds in that company is greater than 5% on all voting rights attached to the shares issued by the company;and
- Only in respect of shares in that company to which voting rights are attached.

As Trading 212 UK does not meet these requirements, it is not required to disclose any information relating to its investment policy.