Disclosures
For the year ended December 31st 2022

Capital Com (UK) Ltd

Sep 2023

Table of Contents

1. Overview

1.1 Introduction

The disclosures within this document are prepared in accordance with the Financial Conduct Authority (FCA) MIFIDPRU 8 standards.

Capital Com (UK) Limited is a non-SNI MIFIDPRU investment firm and is a wholly owned subsidiary of Capital Com SV Investment Ltd ("CCSV"), regulated by the Cyprus Securities and Exchange Commission (CySEC).

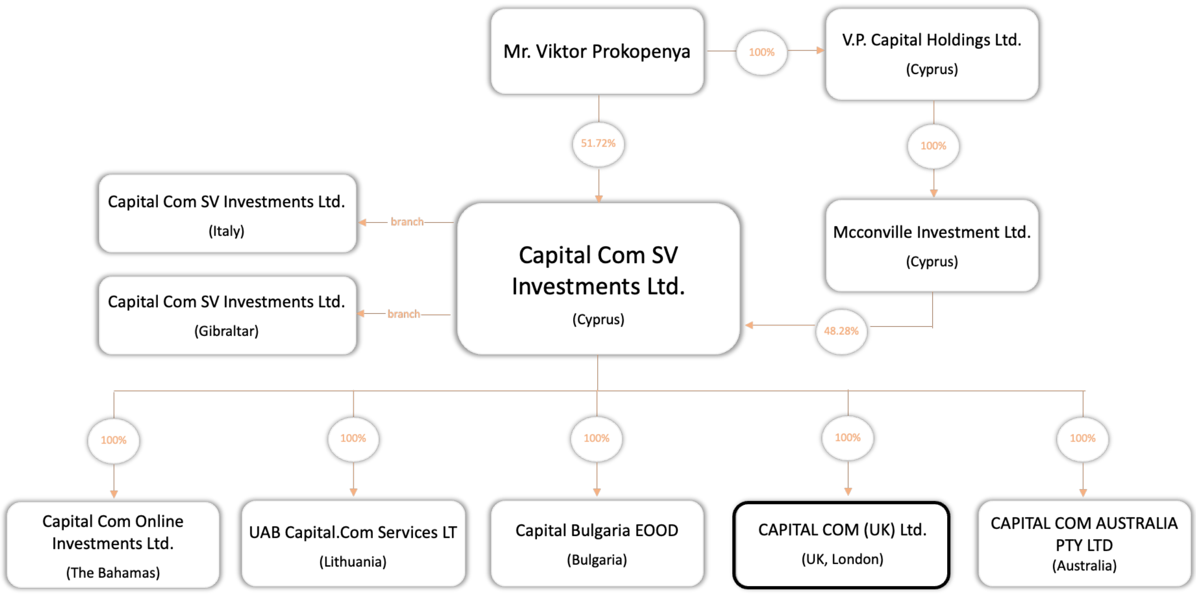
In accordance with MIFIDPRU 8.1.7, the disclosures are compiled on an individual basis for the year ended 31st December 2022. Any references to "the Group" are to Capital Com Group together with all its subsidiary undertakings.

1.2 About Capital Com (UK) Ltd

Capital Com (UK) Limited ("CCUK", "Firm" or "Company") offers financial Contracts for Difference (CFDs) in Forex pairs, Indices, Commodities, Stocks and Cryptocurrencies (available only to professional clients) as well as Spread Betting and Stock Investing services.

CCUK is an execution only firm that operates on a matched-principal basis. It is permitted to deal with retail and professional clients.

1.3 Group Structure and Its Regulated Entities



1.4 Frequency of Disclosures

The disclosures are published on an annual basis, together with the financial statements and are publicly available on CCUK's corporate website (Capital.com).

2. Risk Management Objectives and Policies

2.1 Risk Management Framework

The Company aims to embed explicit and robust risk management practices across its entire business operations, to ensure that the level of risk it faces is consistent with its corporate objectives and its level of risk tolerance. This is achieved through the implementation of a comprehensive risk management framework for the identification, assessment, monitoring, and control of all relevant risks. The framework also enables the Company to continually align its business objectives against a background of changing risks and uncertainty.

The risk management framework:

- Enables the Company to proactively manage its risks in a systematic manner.
- Ensures that appropriate measures are in place to mitigate risks.
- Helps drive a culture of risk awareness within the Company and
- Ensures that risk management is an integral part of the Company's decision-making process.

2.2 Risk Management Governance

The Board of Directors ("BoD") is ultimately responsible for the risk management framework of the Company. The risk management framework is the totality of systems, structures, policies, processes, and people within the Company that identify, assess, mitigate, and monitor all internal and external sources of risk that could have a material impact on the Company's operations.

The Board is responsible for reviewing the effectiveness of the Company's risk management arrangements and the operating effectiveness of the underlying internal controls. These are designed to mitigate the risks of not achieving business objectives, and, as such, offer reasonable but not absolute assurance against fraud, material misstatement and loss.

The Audit, Risk & Compliance Committee ("ARCC") acts as the Company's Risk Management Committee and plays a central role in ensuring compliance with the Company's risk management strategy and policies. The ability of the ARCC is to carry out its responsibilities effectively and in an unbiased manner rests on its independence. Structurally, risk management is a separate unit independent of the business, with the ARCC reporting directly to the Executive Committee ("ExCo").

Risk is an inherent part of Capital Com's business and Capital Group's objective is not to eliminate risk but to manage risk to an acceptable level. Effective risk management assists the delivery of strategic objectives, management of potential threats and aids effective capital planning. A core objective of Capital Com's risk management framework is the continuous improvement of the identification, assessment, mitigation, monitoring and reporting of risks. The framework is based on three lines of defence model (3LOD):

1. First Line: Includes all individuals and teams responsible for directly managing risks within their respective areas, the primary responsibilities of the first line of include:
    - Identifying and assessing risks related to their operations.
    - Implementing controls and measures to mitigate identified risks.
    - Monitoring and reporting on the effectiveness of these controls.
    - Taking immediate action to address emerging risks or control failures.

2. Second Line: Consists of specialised functions that oversee and support risk management efforts across the organisation, ensuring that risk management practices are consistent, effective, and aligned with regulations and best practices including:
    - Developing and enforcing risk management policies, procedures, and guidelines.
    - Providing guidance and expertise to the first line on risk identification, assessment, and control.
    - Conducting independent risk assessments and validations.

3. Third Line: Internal audit, an independent function responsible for objectively evaluating the effectiveness of risk management and control processes, which include:
    - Conducting periodic and objective assessments of risk management practices and controls.
    - Providing assurance to senior management and the BoD that risk management processes are functioning as intended.
    - Offering recommendations for enhancing risk management and control effectiveness.

2.3 Risk Appetite

Risk Appetite quantifies or describes the level of risk which the business is willing to accept in pursuit of its strategic objectives. It is formally reviewed annually and is monitored on an ongoing basis for adherence. Risk Appetite is formally formulated in the Company's business plan. The Company's strategic, capital and liquidity plans are set with reference to Risk Appetite.

The BoD approves the Risk Appetite, which defines the level of risk that the Company is prepared to accept to achieve its strategic objectives and is translated into specific risk measures that are tracked, monitored, and reported to the BoD. The Risk Appetite has been designed to create clear links to the strategic long-term plan, capital planning, stress testing and the Company's risk management framework. The Company's Risk Appetite covers a set of high-level principles that look to balance both the qualitative and quantitative measures that provide an indication of increasing or decreasing risk levels across all relevant risk areas. The review and approval processes are undertaken at least annually.

2.4 Principal Risks

Principal Risk	Description of Risk	Key Mitigating Actions
Credit Risk	The risk of loss due to counterparties (clients or Financial Institutions) failing to meet their financial obligations to the Company.	The majority of CCUK's clients are retail clients with negative balance protection and leverage restricted margin rates therefore CCUK is not exposed to significant levels of client credit risk, but excessive risk is managed by controlling client leverage ratios. The CCUK Finance team monitors Counterparty Credit risk stemming from corporate and client cash exposures and performs initial and regular Due Diligence reviews all of which is overseen by the CCUK Audit, Risk and Compliance Committee (ARCC), managing exposures to predefined policy limits.
Conduct & Operational Risk	The risk of harm to clients or the markets due to the conduct of the Company or its employees and the risk of harm arising due to inadequate or failed internal processes, people, and systems, or from external events.	CCUK has a framework with a common approach to identify, assess, monitor, and report operational risk events and mitigate risk of recurrence. CCUK has specific processes, policies, and systems in place to cover all sources of operational risk and prioritises high impact risk areas such as platform outages, client money, information security incidents, managing business continuity and combating fraud. CCUK is dependent on certain outsourced services from its affiliate companies which have documented risk mitigating controls in place.
Market Risk	The risk arising from adverse movements in market prices which may relate to the Company's trading book and non-trading book balance sheet exposures.	CCUK operates on a matched-principal business model basis, hedging its exposures back-to-back with CCSV, therefore all trading book market risk arising from changes in the prices of financial instruments is transferred to CCSV.

		Only a small amount of market risk is borne by CCUK and that is the currency exchange rate risk on its non-trading book exposures which are not denominated in GBP.
Capital Adequacy Risk	The risk that the Company does not hold sufficient own funds capital to cover all risk exposures or to enable an orderly wind-down of the business if required.	Through application of its Internal Capital Adequacy and Risk Assessment ("ICARA"), the Company ensures it maintains adequate own funds capital to meet its requirements under both normal and stressed conditions including daily monitoring of each component of the capital requirement calculation. The Risk and Finance teams monitor and manage CCUK's capital requirements on a constant basis, ensuring regular and ad hoc capital adequacy reviews are conducted so that its assessment of the Company's capital requirements remains relevant.
Liquidity Risk	The risk that the Company does not hold sufficient liquid assets to meet its obligations when they fall due or to be able to wind-down the business in an orderly manner if required.	The Company's policy is to maintain adequate liquid financial resources to meet its liquidity needs under both normal and stressed conditions, and day-to-day CCUK manages liquid assets to prudent internal buffers over and above the ICARA requirements. The Risk and Finance teams monitor and manage the liquid assets requirements on a constant basis, ensuring regular and ad hoc liquidity adequacy reviews are conducted so that its assessment of the Company's liquidity needs remains relevant.
Regulatory, Legal & Compliance Risk	The risk that the Company is subject to enhanced regulatory scrutiny increasing the potential for investigation or sanctions by regulatory bodies, misconduct associated in the firm or breaches in intellectual property, data security, or failure to comply with regulations or to protect client assets.	The Company has in place a clear set of policies including its conduct with affiliates, reporting suspicious transactions, Client Assets sourcebook ("CASS") policy and information security, as well as online training modules with relevant rules and guidance. Regular and ad hoc briefings are provided to senior management, the BoD, and the Chief Executive Officer ("CEO") to ensure a culture of compliance is embedded throughout the highest levels of the company.
Commercial risk	Commercial risk relates to the risk that results from either poor planning or execution of the business strategy, or due to unfavourable market conditions negatively impacting the Company's profitability.	Risk considerations are a key element in the strategic decision-making process. CCUK BoD assesses the implications of strategic decisions on risk-based return measures and risk-based capital to optimise the risk-return profile and to take advantage of economically profitable growth opportunities as they arise. The company have established regular committees that govern how the Company assesses the products and services offered.

3. Governance Arrangements

3.1 Board of Directors

The BoD has overall responsibility for the business governance and defining the risk appetite. It sets the strategic aims for the business, in line with delegated authority from the shareholder. The BoD has overall oversight ensuring risk controls and systems are robust and fit for purpose.

CCUK ensures that the BoD:

- has overall responsibility for the firm;
- approves and oversees implementation of the firm's strategic objectives, risk strategy and internal governance;
- ensures the integrity of the firm's accounting and financial reporting systems, including financial and operational controls and compliance with the regulatory system.
- oversees the process of disclosure and communications;
- has responsibility for providing effective oversight of senior management;
- monitors and periodically assesses:
  - the adequacy and the implementation of the firm's strategic objectives in the provision of
  - investment services and/or activities and ancillary services;
  - the effectiveness of the firm's governance arrangements; and
  - the adequacy of the policies relating to the provision of services to clients, and takes appropriate steps to address any deficiencies; and
- has adequate access to information and documents which are needed to oversee and monitor management decision-making.

The persons proposed for appointment to the Board should commit the necessary time and effort to fulfil their obligations. Main factors influencing the decision to propose the appointment of potential Directors include:

- are of sufficiently good repute;
- possess sufficient knowledge, skills, and experience to perform their duties;
- possess adequate collective knowledge, skills, and experience to understand the firm's activities, including the main risks;
- reflect an adequately broad range of experiences;
- commit sufficient time to perform their functions in the firm; and
- act with honesty, integrity, and independence of mind to effectively assess and challenge the decisions of senior management where necessary and to effectively oversee and monitor management decision-making.

As at 31st December 2022, the Board is comprised of 2 executive directors as part of a four-eyes principal in business oversight.

Full name of Director	Number of executive directorships	Number of non-executive directorships
Executive Directors		
Peter Geoffrey Hetherington	1	2
Kypros Christopher Zoumidou	2	0

**Philip John Anderson was appointed as a Non-Executive Director on 03/04/2023.*

*** In accordance with MIFIDPRU 8.3.2, the above directorships are out of scope for this analysis:*

- *Executive and non-executive directorships held in organisations which do not pursue predominantly commercial objectives; and*
- *Executive and non-executive directorships held within the same group or within an undertaking (including a non-financial sector entity) in which the firm holds a qualifying holding*

3.2 Governance Committees

A range of governance committees have been formed to achieve a level of robust governance oversight to adequately monitor CCUK's operational effectiveness and its potential risks.

This includes the Audit, Risk and Compliance Committee, which is CCUK's Risk Management Committee (RMC) and provides advice on the current and future risk appetite and strategy, and that formal and transparent arrangements are in place for the consideration, monitoring and oversight of the firm's internal control and risk management system, financial reporting, legal and compliance and internal and external audit. The committee also ensures that relevant policies and procedures are effectively implemented and executed to comply with legal and regulatory requirements and that risks are mitigated to the degree required by the Board.

Other committees which CCUK have are:

- Executive Committee – to assist the Chief Executive Officer (CEO) in the performance of their duties within the bounds of its authority
- CASS Committee – assist the firm with the work of the Board in respect of all risks that may affect the business related to CASS
- Best Interests Committee – to assist the firm in respect of all risks to the business related to the fair treatment of clients, including its short medium and long term strategy impacting client related matters

3.3 Diversity

The Capital Com Group Diversity, Equity, and Inclusion ("DEI") Policy applies to any employee, contractor, or Non-Executive Director ("NED") working for or engaged by any Group Company. The purpose of the policy is to encourage and promote DEI in all aspects of our work and business and promote an internal culture that values difference and recognises that people from different backgrounds and experiences can bring valuable insights to the workplace.
CCUK commits to encouraging and promoting DEI in the workplace; ensuring we do not discriminate in our recruitment processes and procedures; creating and maintaining a working environment free of bullying, harassment, victimisation and discrimination; taking seriously any complaints; providing opportunities for training, development and progression for all staff; making decisions concerning Team Members based on ability and merit; ensuring we work to avoid and eliminate unconscious bias, and reviewing employment practices.

Capital Com Group's workforce is a diverse one which is reflected in the Diversity & Inclusion reports produced internally. We are also in the process of speaking to Unconscious Bias ("UB") providers to conduct training to the Senior Leadership Team ("SLT") initially, whilst looking at an ongoing DEI strategy.

A summary of any objectives or targets which have not been achieved are below:
(i) The UB training was postponed from 2022
(ii) The training is now a priority in Q3 2023, and the process has been initiated
(iii) The training will take place in Q3 2023 company wide

4. Own Funds

The own funds amount for CCUK derives from common equity tier 1 capital ("CET1"), comprising from share capital and retained earnings. Further detail of this can be seen in the below tables.

Table 1: 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**	**9,884**	
2	**TIER 1 CAPITAL**	**9,884**	
3	**COMMON EQUITY TIER 1 CAPITAL**	**9,884**	
4	Fully paid up capital instruments	4,699	i
5	Share premium		
6	Retained earnings	5,185	ii
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		
12	CET1: Other capital elements, deductions and adjustments		
13	**ADDITIONAL TIER 1 CAPITAL**		
14	Fully paid up, directly issued capital instruments		
15	Share premium		
16	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1		
17	Additional Tier 1: Other capital elements, deductions and adjustments		
18	**TIER 2 CAPITAL**		
19	Fully paid up, directly issued capital instruments		
20	Share premium		
21	(-) TOTAL DEDUCTIONS FROM TIER 2		
22	Tier 2: Other capital elements, deductions and adjustments		

Table 2: Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements		
	Balance sheet as in published/audited financial statements	**Cross-reference to template OF1**
	As at 31.12.22 (£'000)	
ASSETS		
Non-current assets		
1 Property, plant and equipment	4,403	
2 Right-of-use assets	13,091	
Current assets		
1 Trade and other receivables	8,345	
2 Cash and cash equivalents	6,126	
TOTAL ASSETS	**31,965**	
LIABILITIES		
Non-current liabilities		
1 Lease liabilities	13,562	
2 Deferred tax liability	174	
Current liabilities		
1 Trade and other liabilities	7,276	
2 Corporation tax payable	991	
3 Lease liabilities	78	
TOTAL LIABILITIES	**22,081**	
SHAREHOLDERS' EQUITY		
1 Share capital	4,699	i
2 Retained earnings	5,185	ii
TOTAL EQUITY	**9,884**	
TOTAL EQUITY AND LIABILITIES	**31,965**	

Table 3: Own funds: main features of own instruments issued by the firm		
	Features of own instruments	**Cross-reference to template OF1**
Share capital	Instrument type: Ordinary share Amount recognised in Regulatory Capital (£000'): 4,699 Nominal amount of instrument: GBP 1 Accounting classification: Ordinary share capital	i

5. Own Funds Requirements

5.1 Own Funds Requirement

In accordance with MIFIDPRU 4.3.2, CCUK must at all times maintain own funds that are at least equal to its own fund's requirement.

The own funds requirement of a non-SNI MIFIDPRU investment firm is the highest of:

- Its permanent minimum capital requirement (PMR)
- Its fixed overhead requirement (FOR)
- Its K-Factor requirement (KFR)

The below table shows the own funds requirement in further detail:

Table 4: Overall financial adequacy rule (OFAR)	
Permanent minimum requirement	£125k (transitioning to £750k by Jan 2027)[1]
Fixed overhead requirement	£1.3m
K-Factor requirement	£588k

[1]MIFIDPRU TP 2 Own funds requirements: transitional provision 2.18

5.2 K-Factor Requirement

The K-Factor requirements considers the Risk of Harm to Clients (RtC), Markets (RtM) and the Firm (RtF) and these are broken down as follows:

Table 5: K-Factor requirement	Amount (£'000)
The sum of the K-AUM, K-CMH and K-ASA requirements	79
The sum of the K-COH and K-DTF requirements	383
The sum of the K-NPR, K-CMG, K-TCD and K-CON requirements	126
	588

**Assets Under Management ("K-AUM"), Client Orders Handled ("K-COH"), Cleared Margin Given ("K-CMG") and Concentration Risk ("K-CON") is not applicable for CCUK*

The K-Factor requirements applicable for the Firm are:
- Client Money Held ("K-CMH")
- Assets Safeguarded and Administered ("K-ASA")
- Daily Trading Flow ("K-DTF")
- Net Position Risk ("K-NPR")
- Trading Counterparty Default ("K-TCD")

5.3 Assessment of Own Funds

In addition to the own funds requirements, CCUK must at all times hold own funds and liquid assets which are adequate, both as to their amount and their quality, to comply with the Overall Financial Adequacy Rule (OFAR) to ensure that:
- The firm can remain financially viable throughout the economic cycle, with the ability to address any material potential harm that may result from its ongoing activities; and
- The firm's business can be wound down in an orderly manner, minimising harm to consumers or to other market participants.

CCUK conducts an annual ICARA process to ensure that it has appropriate systems and controls in place to identify, assess and monitor potential material harms which may not be fully accounted for in the K-Factor requirements or from the ongoing operation or winding down of the business.

The higher of the own funds requirement and assessment of own funds is used as the Own Funds Threshold Requirement (OFTR) and Liquid Assets Threshold Requirement (LATR) which CCUK must hold at all times to comply with the OFAR.

CCUK has a framework for monitoring the adequacy of liquidity and financial resources and performs daily calculations and monthly monitoring reports. This information is provided to the Board who consider it when assessing risk strategy and risk appetite.

If there are any material changes in the Firm's business model or operating model, the ICARA is to be reviewed and updated when required.

6. Remuneration Policy and Practices

In line with MIFIDPRU 8.6, the disclosure requires the Firm to provide information about its approach and components for remuneration.

6.1 Remuneration Approach and Group Remuneration Policy

The Group Remuneration Policy is relevant to all Group entities, which includes the Company. Under a strict framework, the policy sets out remuneration practices for the Group. In accordance with SYSC19G.1.24G of the FCA Handbook, the Group Remuneration Policy applies to:

- All Group Employees (including Senior Management, Executive Directors, material risk takers, and staff engaged in control functions and sales based roles) (together, the "Employees");
- Non-executive members of the Board of Directors.

The Group undertakes practices under appropriate internal procedures, taking into account the interest of all of the Employees of the Group, with a view to ensure they are treated fairly, and a balanced approach is applied to -

- Financial and non-financial remuneration; and
- Fixed and variable remuneration.

The Framework is unbiased considering both individual employee and business performance, so that the remuneration does not favour the interest of the Group or any one individual employee. No external parties are used in the development of the remuneration policies and practices.

The Group Remuneration Policy aims to:

- Provide for sufficient incentives so as for all individuals, to achieve their agreed objectives in line with the Group's strategy; and
- Deliver an appropriate link between reward and performance whilst at the same time become a comprehensive, consistent, and effective risk management tool that prevents excessive risk taking and/or mis-selling practices considering financial incentives schemes, which could lead to compliance risks for the Group in the long-run.

The Group ensures fair remuneration in line with local standards for all geographies where it has a presence. The following aspects are taken into consideration:

- Place of employment and costs of living;
- Level and responsibilities of each individual;
- Local market (overall and with regard to specific roles);
- Qualifications and certifications; and
- Overall remuneration package.

6.2 Risk Management

The Company recognises the importance of promoting sound and effective risk management which promotes responsible staff behaviour linked to risk adjusted performance. In this respect, the Company aims to provide an appropriate remuneration environment where employees are not incentivised to take inappropriate and/or excessive risks which are not in line with the Company's risk approach.

6.3 Remuneration Elements

Financial Incentives

The Company's remuneration includes:
Financial Remuneration (i.e. salary, allowances, and variable incentives); and/or
Non-financial Rewards i.e. career progression or applicable benefits (such as health insurance, events, seminars, upskilling, etc.);

Fixed and variable Remuneration is different for each position/role depending on the position's actual requirements, and it is determined in a way that reflects the role performed by the person and the specific requirements for the role.

Factors taken into account in order to define Remuneration for all Employees are the following:
the financial viability of the Company,
the individual's performance is measured based on achievements, professional development, compliance with the Company's policies and procedures, compliance with regulatory requirements, commitment, etc.)

Variable Incentives

The Company applies a variable remuneration approach across all Sales based roles and operates a sales commission scheme which is both fair and transparent, and which has been designed to deliver good outcomes for the Company's customers.

For eligible Employees, work performance will be assessed on a yearly basis (depending on roles and responsibilities); assessment will start upon commencing employment, by their managers, according to the plan which the relevant Employees are eligible for.

Depending on the department, the following items may be measured:

- Response time to Client emails or chats;
- Scoring of Employees from call monitoring results;
- Time required for the execution of a withdrawal request;
- Number of conversions per month; and/or
- Other criteria as defined by individual plans.

The Company also evaluates qualitative criteria which can be adjusted as appropriate to reflect behaviours and performance in relation to risk and compliance behaviours. Those responsible to approve variable pay-outs are informed of relevant risk and compliance issues, breaches or failure which might affect those decisions. Examples of the criteria are:

- customer satisfaction rating for tickets and chats;
- Number of Client complaints received;
- Knowledge of the industry and how the Company operates;
- Compliance with the Company's processes and procedures;
- Understanding of how to work with other teams; and
- Teamwork, creativity, and engagement.

All other Employees (outside of the Sales team) are eligible to be considered for the Company Discretionary Annual Bonus Plan. The overall bonus pot is defined based on the Company meeting its strategic objectives in line with the business plan set by the Board at the beginning of each year and the Company's overall compliance with the regulatory frameworks. The discretionary element of this plan enables risk and compliance considerations to be taken into account.

For Employees eligible for the annual discretionary bonus, the following three (3) main criteria will be assessed:

- Company performance and compliance (access and overall bonus pot definition)
- Employee start date
- Individual performance (including compliance with overall policies and procedures)
- Achieving personal objectives/OKRs/KPIs.

Fixed Remuneration

All Company Employees receive a fixed base salary which is relevant to their role and function. In line with Global Performance Review, the base salary is reviewed on an annual basis.

Benefits

Benefits and perks provided to individuals are not Employee performance-related and are considered part of the fixed Remuneration. All Employee benefits are benchmarked according to the market conditions and competitors.

Pension

Employees receive a pension in line with statutory requirements. The Company promotes diversity, ethics, fairness, and inclusion best practices. In addition, it is gender-neutral in its application and is designed to create equal remuneration opportunities based on objective considerations.

6.4 Performance Review and Remuneration Cycle

The performance review process, in line with the Group Remuneration Policy, is based on long-term performance. Performance is formally reviewed annually thereafter with the Performance Cycle being January to December each year.

6.5 Decision Making Process

The principles for setting Remuneration are considered, reviewed, and approved by the Group Remuneration Committee which also oversees Company Employees. The Remuneration Committee meets regularly to consider all global matters relating to Remuneration.

The actual levels of Remuneration for new roles, and any changes to Remuneration for existing Employees must be authorised and agreed by the Group Chief Executive Officer.

Managers and Department Heads may make suggestions and recommendations on appropriate levels of Remuneration and indeed are likely to be asked to provide such information during the remuneration cycle and from time to time as appropriate.

The process for agreeing remuneration changes is as follows:
1. Recommendations are sought or provided from an Employee's Manager;
2. Recommendations are sought or provided from an Employee's Head of Department;
3. Heads of Department will agree proposed changes to Remuneration following discussion with HR;
4. HR and Heads of Department will recommend proposed changes to the Chief Executive Officer;
5. The CEO will approve or reject the proposed changes; and
6. HR will liaise with the Company's Legal Department to produce appropriate documentation on Remuneration to be sent to Employees to confirm changes.

6.6 Material Risk Takers

In accordance with SYSC 19G.5, the Company identifies individuals whose professional activities have a material impact on the Company's risk profile. Such individuals are known as Material Risk Takers (or "MRTs"). The Company has applied the criteria set out at SYSC 19G.5.3R to identify the relevant individuals.

The Company's annual remuneration to Senior Management, Material Risk Takers, and staff members for 2022 was as follows:

	No. of Staff	Fixed Remuneration for 2022 (GBP)	Variable Remuneration for 2022 (GBP)	Total Remuneration for 2022 (GBP)
Senior Management	3	456,095	100,368	556,463
Material Risk Takers	8	1,527,445	165,744	1,693,189
Other staff members	132	6,459,772	860,411	7,320,183
Total Remuneration	**143**	**8,443,312**	**1,126,523**	**9,569,835**

Any severance pay would be paid in line with statutory requirements. No severance payments were to MRTs in 2022.

7. Investment Policy

In accordance with MIFIDPRU 8.7.6, a MIFIDPRU firm should disclose information regarding its investment policy:

- Only in respect of a company whose shares are admitted to trading on a regulated market;
- Only where the proportion of voting rights that the MIFIDPRU investment firm directly or indirectly holds in that company is greater than 5% of 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 CCUK does not meet the requirements above, it is not required to make the disclosures in relation to its investment policy.

8. Further Information

Questions to this Report should be addressed to the Compliance Department: compliance.uk@capital.com