



StoneX[®]

StoneX Financial Europe GmbH

Pillar 3 Disclosures

September 2025

StoneX[®]

Contents

1. Executive Summary	3
1.1. Introduction	3
1.2. Exclusions.....	4
1.3. Corporate Structure	4
1.4. The Firm's Governance Structure.....	4
1.5. Organisational structure	5
1.6. The Role of the Management Board	6
1.7. Diversity within the Management Body	7
1.8. Governance Committees	7
2. Risk Management.....	9
2.1. Risk Management and Internal Controls.....	9
2.2. Three Lines of Defence.....	9
2.3. Risk Management Framework & Objective.....	11
2.4. Risk Monitoring and Reporting.....	11
2.5. Risk Appetite	12
3. Principal Risks	12
4. Own Funds	14
4.1. Composition of Own Funds	14
4.2. Own Funds Reconciliation with Financial Statement	15
5. Own Funds Requirement.....	16
5.1. Internal Capital and Risk Assessment Process	16
5.2. Own Funds Requirement	16
5.3. Capital Excess/Ratio	17
6. Remuneration Policy & Practices	18
6.1. Overview.....	18
6.2. Governance	18
6.3. Conflict of Interest	18
6.4. Remuneration System	19
6.5. Equality and Diversity.....	20
6.6. Remuneration Breakdown	21
Appendix 1. Template EU CC1 - Composition of regulatory own funds	22
Appendix 2. Template EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments	24

1. Executive Summary

1.1. Introduction

StoneX Financial Europe GmbH (“SFEG” or “the Firm”) is a German investment firm authorised and supervised by the Bundesanstalt für Finanzdienstleistungsaufsicht (“BaFin”) in accordance with the Wertpapierinstitutsgesetz (“WpIG”). The Firm is classified as a Class 2 (non-SNI) investment firm and is subject to the prudential framework established by Regulation (EU) 2019/2033 (Investment Firm Regulation – “IFR”) and Directive (EU) 2019/2034 (Investment Firm Directive – “IFD”), as implemented in Germany.

These disclosures relate to SFEG on an individual basis as at 30 September 2025. The reporting currency is euro, the financial statements are prepared in accordance with German GAAP (HGB), and the Firm’s Legal Entity Identifier is 5299000J2N45DDNE4Y28.

The IFR/IFD framework is structured around three complementary pillars:

- **Pillar 1 – Minimum Capital Requirements:**

Establishes the minimum own funds requirements that the Firm must always maintain, based on the higher of the K-Factor Requirement, the Fixed Overhead Requirement and the Permanent Minimum Capital Requirement.

- **Pillar 2 – Internal Capital and Risk Assessment (ICARA) and Supervisory Review (SREP):**

Requires the Firm to maintain sound, effective and comprehensive processes to assess and ensure the adequacy of its capital and liquidity relative to its risk profile and potential harms. The ICARA forms the central prudential framework for SFEG and is subject to supervisory review by BaFin.

- **Pillar 3 – Market Discipline and Disclosure:**

Requires the Firm to publicly disclose information on its risk profile, governance, capital position and remuneration practices to promote transparency and market discipline.

This Pillar 3 disclosure document has been prepared in accordance with Part Six of the IFR and provides a comprehensive overview of SFEG’s:

- Own funds and capital position
- Own funds requirements
- Risk management objectives and framework
- Governance arrangements
- Remuneration policies and practices

The disclosures are aligned with the Firm’s ICARA framework and reflect the Firm’s risk profile, business model and prudential position as of 30 September 2025.

This document is reviewed at least annually and updated where material changes to the Firm’s business model, risk profile or regulatory environment occur. The Pillar 3 disclosures are published on the Firm’s website together with the Firm’s annual financial statements.

1.2. Exclusions

SFEG has assessed the applicability of the disclosure requirements under Part Six of Regulation (EU) 2019/2033 (“IFR”), including Articles 52 and 53 IFR.

Article 52 IFR requires certain investment firms to disclose information on investment policy where the conditions set out in that Article are met. Article 53 IFR requires investment firms that do not meet the criteria referred to in Article 32(4) of Directive (EU) 2019/2034 (“IFD”) to disclose information on environmental, social and governance (“ESG”) risks.

SFEG meets the applicable proportionality criterion under Article 32(4)(a) of Directive (EU) 2019/2034, as implemented in Germany. Accordingly, the disclosure requirements relating to investment policy under Article 52 IFR and ESG risks under Article 53 IFR are not applicable to the Firm.

The applicability of these disclosure requirements is reviewed periodically.

1.3. Corporate Structure

SFEG is headquartered in Hamburg, Germany and registered with the Commercial Register of the Hamburg Local Court (Amtsgericht Hamburg). The Firm operates under the prudential framework established by Regulation (EU) 2019/2033 (IFR) and Directive (EU) 2019/2034 (IFD), as implemented in Germany.

SFEG is a wholly owned subsidiary of StoneX Group Inc., a United States corporation listed on the NASDAQ stock exchange. The Firm forms part of the StoneX Group’s global operating model and acts as its regulated investment firm platform within the European Union.

Following the merger of StoneX Financial Europe S.A. into SFEG effective September 2025, the Firm operates as an integrated EU entity. SFEG conducts its activities on a cross-border basis and maintains branches in Ireland (Dublin), Germany (Frankfurt), Spain (Madrid) and Luxembourg under MiFID II passporting arrangements.

The Firm provides investment services primarily on an agency basis, including the reception, transmission and execution of client orders across multiple asset classes such as commodities, securities and derivatives. In addition, the Firm provides ancillary services including risk advisory and market intelligence.

SFEG does not hold client money or client assets and does not perform clearing activities. Certain services, including clearing and elements of execution, are supported by other entities within the StoneX Group, in particular StoneX Financial Ltd., and are subject to appropriate governance and oversight arrangements.

1.4. The Firm’s Governance Structure

SFEG maintains a robust and proportionate governance in accordance with Article 26 of Directive (EU) 2019/2034 (“IFD”) and § 41 WpIG. The framework is designed to ensure effective, prudent and sound management of the Firm, considering the nature, scale and complexity of its activities.

The governance structure supports clear accountability, effective decision-making and appropriate oversight across all areas of the Firm’s operations. It is aligned with the Firm’s business strategy, risk appetite and ICARA framework.

Key elements of the governance framework include:

- a) **Clear organisational structure and allocation of responsibilities**, including defined reporting lines and accountability for all material business and control functions.

- b) **Effective internal communication processes**, ensuring that relevant information is identified, escalated and communicated in a timely and accurate manner to support decision-making.
- c) **Segregation of duties**, particularly between front-office and control functions, including Risk Management, Compliance and Internal Audit, to prevent conflicts of interest and ensure independent oversight.
- d) **Integrated risk management and internal control systems**, embedded within the Firm's operations and aligned with the ICARA framework, enabling the identification, assessment, monitoring and mitigation of risks.

Given the Firm's role within the StoneX Group, the governance framework also ensures appropriate coordination and information flow between SFEG and relevant Group entities. Where Group functions support the Firm's activities, appropriate oversight and control mechanisms are in place to ensure that SFEG retains full responsibility for its regulatory obligations.

The governance and internal control framework are subject to regular review and is designed to remain responsive to changes in the Firm's business model, risk profile and external environment.

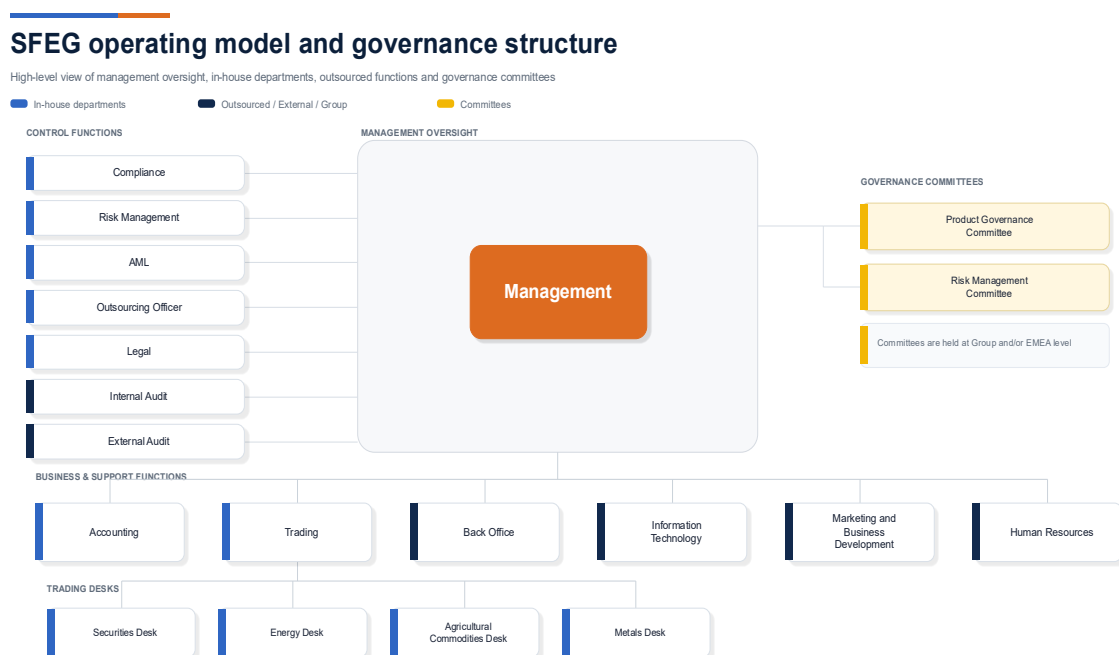
1.5. Organisational structure

SFEG maintains a robust and proportionate governance framework in accordance with Article 26 of Directive (EU) 2019/2034 ("IFD") and § 41 WpIG.

The organisational structure defines reporting lines, functional responsibilities and the segregation between business and control functions. It supports effective governance, risk management and internal control in line with the Firm's regulatory obligations.

The Firm's current organisational structure, including its Management Board, key functions and reporting lines, is presented below:

Figure 1 - Organisational Structure



1.6. The Role of the Management Board

The Management Board (Geschäftsführung) is the governing body of SFEG and has ultimate responsibility for the management, strategic direction and overall control of the Firm.

In accordance with Article 26 of Directive (EU) 2019/2034 (“IFD”) and § 41 WpIG, the Management Board is responsible for establishing and maintaining effective governance, risk management and internal control frameworks that are proportionate to the nature, scale and complexity of the Firm’s activities.

In particular, the Management Board is responsible for:

- **Defining and approving the Firm’s business strategy and risk strategy**, ensuring alignment with the Firm’s risk appetite and the broader StoneX Group framework;
- **Ensuring compliance with all applicable legal and regulatory requirements**, including IFR, IFD and WpIG;
- **Establishing, approving and overseeing the ICARA framework**, including the assessment of capital and liquidity adequacy and the ongoing monitoring of the Firm’s risk profile;
- **Ensuring that the Firm always maintains adequate own funds and liquid assets**, in line with both regulatory requirements and internal thresholds;
- **Overseeing the effectiveness of the risk management framework**, including the identification, measurement, monitoring and mitigation of all material risks;
- **Ensuring the independence and effectiveness of control functions**, including Risk Management, Compliance and Internal Audit;
- **Establishing a sound organisational structure**, with clear lines of responsibility and effective segregation of duties;
- **Monitoring the performance of the Firm and senior management**, and ensuring accountability for delegated responsibilities;
- **Appointing key function holders** and ensuring that the Firm has adequate human and technical resources;
- **Promoting a sound risk culture and high standards of governance**, ensuring that risk awareness and prudent decision-making are embedded throughout the organisation.

The Management Board reviews the Firm’s governance, risk management and ICARA framework at least annually and following any material change in the Firm’s business model or risk profile.

Table 1: The Role of the Management Board below discloses the number of directorships held by members of the management body, as at the year ended 30 September 2025.

Table 1: The Role of the Management Board

Director Name	Function within the Firm	Number of Executive Directorships	Number of Non-Executive Directorships
Mr. Ramon Jesus Martul Franco	Managing Director – Board Member	1	-
Mr. Roland Theodoor Blom	Managing Director – Board member	1	-
Mr. Liam Fenton*	Managing Director – Board member	1	-
Mr. Justin Van Wijngaarden	Non-Executive Director	-	1
Mr. Philip Smith	Non-Executive Director	-	1

Note: After the reporting date, Liam Fenton was appointed as Managing Director with effect from 4 December 2025.

Note that the following are out of scope for the analysis in Table 1 above:

- 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 has a qualifying holding.

1.7. Diversity within the Management Body

SFEG promotes diversity within its Management Board as part of its overall governance framework, in line with applicable regulatory expectations.

The Firm considers a broad range of diversity factors in the selection and appointment of members of the Management Board, including professional experience, educational background, gender, age and international experience. These considerations aim to ensure a balanced composition of skills, knowledge and perspectives.

The diversity approach supports effective decision-making, independent judgement and sound governance within the Management Board.

SFEG's diversity objective is to maintain a management body with an appropriate balance of professional experience, skills, educational backgrounds, gender, age and international experience. The Firm has not established a separate quantitative diversity target for the reporting period. Progress against the diversity objective is considered as part of the management body succession and appointment process

1.8. Governance Committees

SFEG applies a proportionate governance approach and leverages relevant committees established at StoneX Group and EMEA level, while retaining full responsibility for its regulatory obligations. Notwithstanding the use of Group-level committees, the Management Board of SFEG retains full responsibility for the Firm's risk management, ICARA outcomes and compliance with applicable regulatory requirements.

Risk Management Committee

The Risk Management Committee ("RMC") is established at Group level and is responsible for overseeing the Group's risk management framework, including its application across subsidiaries.

The RMC:

- reviews and challenges the overall risk profile and risk appetite of the Group.
- monitors the effectiveness of the risk management framework and associated controls; and
- supports the implementation of risk strategy and risk mitigation measures.

The committee is chaired by the Group Chief Risk Officer and meets on a regular basis. SFEG is represented in the RMC by its Risk Management function, ensuring that matters relevant to the Firm are appropriately considered.

In line with the principle of proportionality and the Firm's risk profile, SFEG has not established a separate entity-level risk committee. Accordingly, no SFEG risk committee meetings were held during the financial year ended 30 September 2025. The Management Board retains full responsibility for risk management and oversight.

Product Governance Committee

A Product Governance Committee (New Product Approval Committee) is established at EMEA level. The purpose of this committee is to ensure that new products and services are subject to appropriate review and approval prior to implementation.

The committee includes representatives from key control and support functions, including Risk Management, Compliance/AML, Finance, Operations, Treasury and Legal. It assesses new initiatives from a risk, regulatory and operational perspective.

At least one member of the SFEG Management Board participates in the approval process for products relevant to the Firm, ensuring that SFEG maintains appropriate oversight and accountability.

2. Risk Management

2.1. Risk Management and Internal Controls

The Management Board (Geschäftsführung) is responsible for ensuring that SFEG maintains a robust and effective system of internal controls and risk management, in accordance with Article 26 and 28 of Directive (EU) 2019/2034 (“IFD”) and §§ 41 and 43 WpIG.

The Firm has established an integrated risk management and internal control framework, aligned with its ICARA process, to ensure that all material risks are appropriately identified, measured, monitored and mitigated.

The Management Board promotes a sound risk culture and ensures that risk considerations are embedded in the Firm’s decision-making processes, including strategic planning, new product approval and day-to-day operations.

In fulfilling its responsibilities, the Management Board:

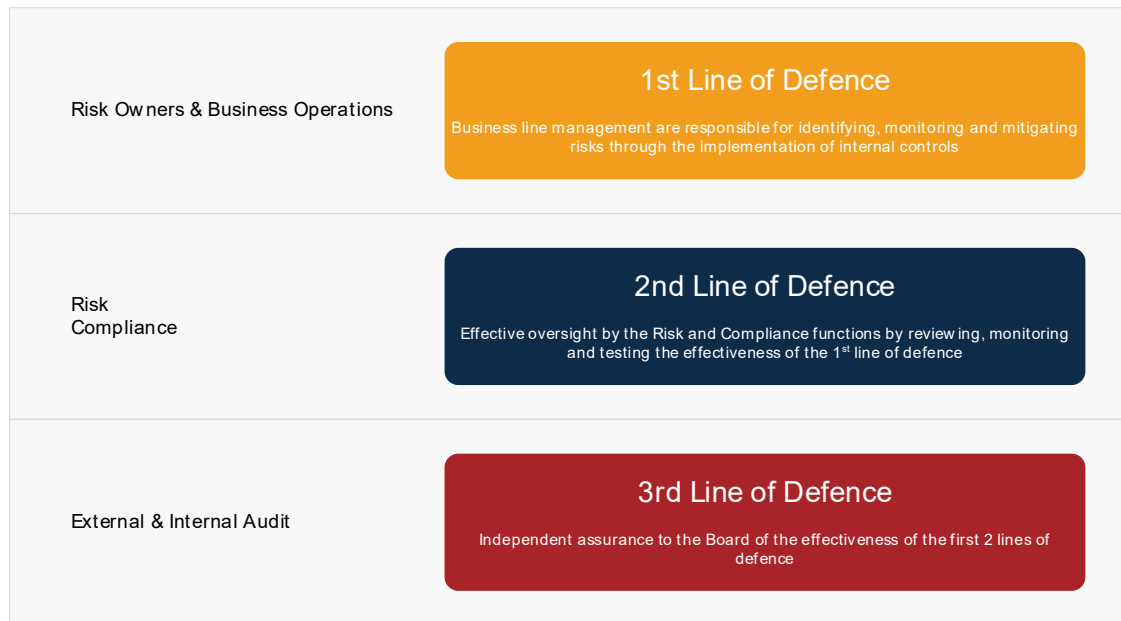
- **Ensures the establishment and maintenance of an effective internal control framework**, proportionate to the nature, scale and complexity of the Firm’s activities;
- **Defines and oversees the Firm’s risk strategy and risk appetite**, ensuring alignment with the business strategy and capital and liquidity planning under ICARA;
- **Ensures that material risks are identified, assessed and appropriately managed**, including risks arising from strategic initiatives, operational activities and group dependencies;
- **Maintains effective governance and escalation processes**, ensuring that significant issues and risk developments are reported to the Management Board in a timely manner;
- **Oversees the effectiveness of internal controls and risk mitigation measures**, including regular review and challenge of the Firm’s risk profile;
- **Promotes a strong risk culture**, ensuring that responsibilities for risk management are clearly defined and understood across the organisation.

The internal control framework is supported by independent control functions, including Risk Management, Compliance and Internal Audit, and is designed to remain responsive to changes in the Firm’s business model and external environment. The framework is designed to assess risks both from a financial impact perspective and in terms of potential harm to clients, markets and the Firm, consistent with the ICARA approach. Risk assessments directly inform capital and liquidity adequacy, including the consideration of any Pillar 2 needs where relevant.

2.2. Three Lines of Defence

SFEG applies a “Three Lines of Defence” model to ensure a clear allocation of responsibilities for the identification, management, control and oversight of risks. This model forms a core component of the Firm’s risk management and internal control framework and is aligned with its ICARA process.

Figure 2 - Three Lines of Defence



First Line of Defence

Business and support functions constitute the first line of defence and are responsible for the day-to-day management of risks arising from their activities.

Each function is responsible for:

- identifying and assessing relevant risks.
- implementing and maintaining appropriate controls; and
- operating within the Firm's risk appetite and policies.

Risk ownership is assigned at the appropriate level, ensuring accountability for managing risks and maintaining an appropriate balance between risk and return.

Second Line of Defence

The Risk Management and Compliance functions constitute the second line of defence and provide independent oversight of the first line.

Their responsibilities include:

- monitoring the Firm's risk profile and compliance with regulatory requirements.
- reviewing the effectiveness of controls and risk mitigation measures.
- challenging assumptions, methodologies and risk assessments; and
- supporting the implementation of the Firm's risk management framework.
- The Risk Management function operates independently from revenue-generating activities and has direct access to the Management Board for escalation of material matters.

Third Line of Defence

The Internal Audit function constitutes the third line of defence and provides independent assurance over the effectiveness of the Firm's governance, risk management and internal control framework.

Internal Audit:

- evaluates the design and effectiveness of controls across all areas of the Firm;
- assesses the adequacy of governance and risk management processes, including ICARA; and
- reports its findings directly to the Management Board.

External Audit provides additional independent assurance on selected aspects of the Firm's control environment.

2.3. Risk Management Framework & Objective

SFEG maintains a comprehensive Risk Management Framework in accordance with Article 24 of Directive (EU) 2019/2034 ("IFD") and § 39 WpIG and § 41 WpIG. The framework is proportionate to the nature, scale and complexity of the Firm's activities and is integrated into the Firm's governance and ICARA framework.

The objective of the Risk Management Framework is to ensure that all material risks are:

- identified, assessed and documented.
- monitored on an ongoing basis
- managed within defined risk appetite limits; and
- supported by appropriate controls and mitigation measures.

The framework provides a structured approach to risk management and supports:

- the assessment of risks and potential harms (RtC, RtM, RtF)
- capital and liquidity adequacy under ICARA
- escalation and remediation of risk events; and
- compliance with regulatory requirements.

The Risk Management Framework is embedded across the Firm's operations and supported by governance arrangements, control functions and risk reporting processes.

2.4. Risk Monitoring and Reporting

SFEG maintains a structured risk monitoring and reporting framework to ensure that its risk profile is continuously assessed and communicated to the Management Board.

Risk monitoring includes:

- regular assessment of risk exposures and key risk indicators (KRIs)
- monitoring against defined risk appetite limits.
- identification of emerging risks; and
- escalation of material risk events and control deficiencies.

Risk reporting is performed on a regular basis and provides the Management Board with:

- an overview of the Firm's risk profile.
- updates on material risk developments

- breaches of risk appetite or limits; and
- recommendations for mitigation actions.

This ensures effective oversight, challenge and decision-making. KRIs are monitored against defined thresholds; breaches trigger escalation, management action and, where required, timely notification to the Management Board.

2.5. Risk Appetite

The Risk Appetite Statement (“RAS”) defines the level and type of risk that SFEG is willing to accept in pursuit of its strategic objectives.

The risk appetite is approved by the Management Board and forms a core component of the ICARA framework. It provides the basis for:

- capital and liquidity planning.
- risk limit setting.
- escalation thresholds; and
- business decision-making.

The Firm’s risk appetite reflects:

- its agency-based business model.
- its limited exposure to market and credit risk.
- its focus on operational risk management; and
- its reliance on Group infrastructure.

SFEG maintains a **conservative risk appetite**, characterised by:

- maintaining capital and liquidity significantly above regulatory requirements.
- limiting exposure to market and trading risks.
- strong control over operational and compliance risks; and
- low tolerance for regulatory breaches and client harm.

Risk appetite is monitored on an ongoing basis and reviewed at least annually or following material changes in the Firm’s business model or risk profile. Breaches of risk appetite or risk limits trigger predefined escalation and remediation processes, with outcomes reflected in risk reporting.

3. Principal Risks

The principal risks below are identified through the Firm’s ICARA framework and reflect risks that may materially impact capital, liquidity and the Firm’s ability to operate under stressed conditions. The overview also links each risk to IFR K-factors where applicable and summarises the Firm’s Pillar 2 treatment.

All principal risks are managed within the limits defined in the Firm’s Risk Appetite Statement and monitored through the risk reporting framework.

Risk Category	K-Factor	Applicability	Key Risk Drivers	Key Exposures	Mitigation & Controls	Pillar 2 Treatment
Risk to Client (RtC)	K-COH	Applicable	Execution errors; best execution failures; system disruptions (e.g. DEA); operational/compliance failures	Client order handling processes	MiFID II best execution framework; operational controls; incident management; compliance oversight; no custody/client money	No separate add-on; covered under operational risk (AOF)
	K-AUM	Not applicable	N/A	No portfolio management activities	N/A	N/A
	K-CMH	Not applicable	N/A	No client money held	N/A	N/A
	K-ASA	Not applicable	N/A	No custody/safeguarding activities	N/A	N/A
Risk to Market (RtM)	K-NPR	Applicable	FX movements; intraday trading exposure	Intercompany balances; FX positions; settlement flows	Back-to-back trading model; intraday position management; group hedging; limited exposure by design	Fully captured under Pillar 1
	K-CMG	Not applicable	N/A	No clearing margin exposure	N/A	N/A
Risk to Firm (RtF)	K-DTF	Applicable	Trading activity volumes	Transaction flow in brokerage business	Monitoring of trading volumes; operational controls	Captured under Pillar 1
	K-TCD	Limited	Counterparty default risk	Settlement risk; bank exposures	Delivery-versus-payment model; counterparty limits; high-quality institutions	No material add-on
	K-CON	Not material	Concentration exposure	Client base; counterparties	Diversified client base; monitoring and reporting	No material add-on
Operational Risk	N/A	Primary risk	IT/cyber risk; AML risk; outsourcing risk; process failures; integration risk	Systems, processes, third-party dependencies	RCSA framework; incident management; KRIs; internal audit; compliance oversight	Primary driver of AOF
Group Dependency Risk	N/A	Material	Reliance on group entities (e.g. SFL)	Clearing, execution, IT infrastructure	Outsourcing framework; governance oversight; service monitoring	Included in AOF
Concentration Risk (Non-K)	N/A	Limited	Revenue/client concentration	Business lines; counterparties	Diversification; stress testing	No separate add-on
Macroeconomic / External Risk	N/A	Relevant	Market volatility; geopolitical developments; economic cycles	Revenue sensitivity; operating environment	Stress testing; capital planning; ICARA scenarios	Covered via stress testing

4. Own Funds

4.1. Composition of Own Funds

SFEG's own funds consist entirely of Common Equity Tier 1 ("CET1") capital, in accordance with Articles 9 of Regulation (EU) 2019/2033 ("IFR").

CET1 represents the highest quality of regulatory capital and comprises eligible fully paid-up capital instruments, retained earnings and other reserves, after application of the applicable prudential deductions and adjustments.

The Firm does not hold Additional Tier 1 or Tier 2 capital instruments.

Table 2 below presents a summary of the Firm's own funds as of 30 September 2025, based on the regulatory template EU IF CC1. The full template EU IF CC1- Composition of regulatory own funds is disclosed in Appendix 1. All amounts are presented on an audited basis and include the eligible FY2025 year-end profit.

Table 2 – Summary of composition of regulatory own funds as of 30 September 2025

Row according to EU IF CC1 Reference	Regulatory own funds item	Amounts (EUR)	Source based on EU IF CC2 reference
4	Fully paid-up capital instruments	750,000	CC2-EQ1
6	Retained earnings	17,880,350	CC2-EQ4 + CC2-EQ5 + CC2-EQ6
8	Other Reserves	8,575,950	CC2-EQ2 + CC2-EQ3
12	(-) Total deductions from CET1	(42,711)	
19	of which: Other intangible assets	(42,711)	CC2-A3
3	COMMON EQUITY TIER 1 CAPITAL	27,163,589	
2	TIER 1 CAPITAL	27,163,589	
1	OWN FUNDS	27,163,589	

The principal prudential adjustment to CET1 as at 30 September 2025 relates to the deduction of intangible assets amounting to EUR 42,711. The increase in own funds compared with the previous disclosure period primarily reflects the merger with StoneX Financial Europe S.A. and the inclusion of the resulting reserves and retained earnings, together with the FY2025 result.

Appendix 2, Main features of regulatory own funds instruments and eligible liabilities instruments, provides a detailed breakdown of the main features of the Firm's Own Funds in accordance with Article 49(1)(b) of IFR.

4.2. Own Funds Reconciliation with Financial Statement

The amounts included in **Table 2** can be reconciled to the audited financial statements of SFEG as at 30 September 2025.

Table 3 below presents the Firm's audited balance sheet and the corresponding references used for the reconciliation of regulatory own funds in accordance with the EU IF CC2 template under Article 49(1)(a) IFR.

Table 3 – EU IF CC2 - Reconciliation of regulatory own funds to balance sheet in the audited financial statements

Reference	No.	Balance sheet item	Balance sheet as in audited financial statements - period end (EUR)	Reference to EU IF CC1.01
A1	1	Receivables from banks	40,692,525	
A2	2	Receivables from customers	38,955	
A3	3	Intangible assets	42,711	19
A4	4	Property, plant and equipment	109,305	
A5	5	Other assets	15,327,211	
A6	6	Prepaid expenses and deferred charges	755,543	
A-TOTAL		Total assets	56,966,250	
L1	1	Liabilities to credit institutions	3,382	
L2	2	Liabilities to customers	160,785	
xL3	3	Other liabilities	24,695,857	
L4	4	Provisions	4,899,926	
L-TOTAL		Total liabilities	29,759,950	
EQ1	1	Subscribed capital	750,000	4
EQ2	2	Capital reserve	200,000	8
EQ3	3	Capital from merger	8,375,950	8
EQ4	4	Retained earnings	7,044,471	6
EQ5	5	Retained earnings from merger	4,418,094	6
EQ6	6	Profit for the period	6,417,785	6
EQ-TOTAL		Total shareholders' equity	27,206,300	

5. Own Funds Requirement

5.1. Internal Capital and Risk Assessment Process

SFEG applies an Internal Capital and Risk Assessment (“ICARA”) process in accordance with Article 24 of Directive (EU) 2019/2034 (“IFD”) and § 39 WpIG.

The ICARA framework is an integral part of the Firm’s risk management and governance framework and ensures that the Firm always maintains adequate capital and liquidity in relation to:

- the risks to which it is exposed.
- the potential harm it may cause to clients, markets and itself; and
- its ability to operate under stressed conditions and, where necessary, to support an orderly wind-down.

The ICARA process includes:

- identification and assessment of material risks.
- evaluation of own funds and liquidity adequacy.
- forward-looking stress testing; and
- capital and liquidity planning.

The ICARA is reviewed at least annually and updated without undue delay following any material change in the Firm’s business model, risk profile or operating environment. The ICARA framework also considers Own Funds Threshold Requirements (OFTR) and early warning indicators used to monitor capital adequacy and support timely management actions.

5.2. Own Funds Requirement

In accordance with Article 11 IFR, SFEG is required to maintain own funds equal to at least the highest of its Fixed Overhead Requirement, Permanent Minimum Capital Requirement and K-factor Requirement, calculated in accordance with Articles 13 to 15 IFR.

The requirement is defined as the higher of:

- the K-Factor Requirement.
- the Fixed Overhead Requirement (“FOR”); and
- the Permanent Minimum Capital Requirement (“PMCR”)

Table 4 - Own Funds Requirement

Regulatory own funds requirement item	30 September 2025 (EUR)
K-factor Requirement	
Risk to Client	62,687
Risk to Market	1,065,976

Risk to Firm	1,794
Total K-factor Requirement	1,130,457
Fixed Overhead Requirement ('FOR')	
FOR	7,979,375
Permanent Minimum Capital Requirement ('PMCR')	
PMCR	750,000

Table 4 above breaks down the Pillar 1 minimum capital requirement that the Firm is required to hold as of 30 September 2025.

The K-Factor Requirement is calculated in accordance with Articles 16 to 33 of the IFR.

The Fixed Overhead Requirement is calculated in accordance with Article 13 IFR and represents one quarter of the relevant fixed overheads, subject to the applicable regulatory adjustments.

As of 30 September 2025, the Firm's binding capital requirement is the Fixed Overhead Requirement of €7,979k, which exceeds both the K-Factor Requirement and the Permanent Minimum Capital Requirement.

5.3. Capital Excess/Ratio

Table 5 - Capital Excess/Ratio

Regulatory own funds item	30 September 2025 (EUR)	Reference
Capital		
Common Equity Tier 1	27,163,589	
Additional Tier 1	-	
Tier 2	-	
Total Own Funds	27,163,589	a
Own Funds Requirement		
K-factor Requirement	1,130,457	b
Fixed Overhead Requirement	7,979,375	c
Permanent Minimum Capital Requirement	750,000	d
Minimum Own Funds Requirement	7,979,375	c = (higher of b, c or d)
Capital Excess/Ratio		
Capital Excess	19,184,214	a-c
Capital Ratio	340%	a/c

Table 5 shows that SFEG maintains own funds significantly above its minimum regulatory requirement. As of 30 September 2025, the Firm's total own funds amounted to €27.2 million, resulting in a capital excess of approximately €19.2 million above the binding minimum capital requirement represented by the Fixed Overhead Requirement ("FOR"). This corresponds to a capital ratio of approximately 340.4%.

6. Remuneration Policy & Practices

6.1. Overview

SFEG maintains a Remuneration Policy (“the Policy”) in accordance with:

- Articles 30–33 of Directive (EU) 2019/2034 (“IFD”);
- §§ 46 et seq. WpIG;
- the German Securities Institutions Remuneration Ordinance (“WpI-VergV”); and
- the EBA Guidelines on sound remuneration policies under Directive (EU) 2019/2034 (EBA/GL/2021/13).).

The Policy establishes principles and procedures for determining, implementing and monitoring remuneration arrangements that are consistent with sound and effective risk management.

The remuneration framework is designed to:

- support the Firm’s business strategy and long-term interests.
- avoid incentives for disproportionate risk-taking.
- align remuneration with prudent conduct and effective risk management; and
- support the attraction and retention of qualified staff.

The Policy applies to all employees of SFEG, including its branches, with additional requirements applicable to identified Material Risk Takers (“MRTs”).

6.2. Governance

In accordance with § 4 WpI-VergV and § 46, responsibility for the remuneration framework is allocated between the shareholders’ meeting and the Management Board.

The shareholders’ meeting is responsible for the appropriate structuring and oversight of the remuneration of MRTs who members of the Management Board are.

The Management Board is responsible for the remuneration framework applicable to other MRTs and employees of the Firm.

In line with the proportionality principle and § 44(3) sentence 2 WpIG, the Firm has not established a separate Remuneration Control Committee.

Relevant control functions, including Risk Management, Compliance, Finance, Internal Audit and Human Resources, support the implementation and oversight of the remuneration framework.

6.3. Conflict of Interest

The Firm maintains remuneration arrangements designed to minimise conflicts of interest and ensure the independence of control functions.

Employees engaged in control functions:

- operate independently from the business units they oversee;
- have appropriate authority and access to information; and
- are remunerated based on objectives linked to their control responsibilities rather than the performance of the business areas they monitor.

The Firm ensures that remuneration arrangements do not create incentives for excessive or inappropriate risk-taking.

6.4. Remuneration System

Material Risk Takers ('MRTs')

SFEG performs an annual assessment to identify Material Risk Takers ("MRTs") in accordance with:

- § 2 Wpl-VergV;
- § 46 WplG; and
- Delegated Regulation (EU) 2021/2154.

MRTs include:

- members of the Management Board.
- senior management.
- key function holders; and
- employees whose professional activities materially impact the Firm's risk profile.

Fixed and Variable Remuneration

The remuneration framework consists of fixed and variable remuneration components.

Fixed remuneration reflects:

- professional experience.
- responsibilities.
- expertise.
- organisational responsibility; and
- market conditions.

Variable remuneration is discretionary and based on:

- individual performance.
- business unit performance; and
- the overall financial performance of the Firm and the StoneX Group.

Performance assessments consider both financial and non-financial criteria and are aligned with prudent risk management principles.

The Firm ensures that:

- fixed and variable remuneration are appropriately balanced; and

- fixed remuneration represents a sufficiently high proportion of total remuneration.

Proportionality

SFEG applies the proportionality principle in accordance with Article 32 IFD, § 44 WpIG and WpI-VergV.

SFEG fulfils the conditions under § 44(3) sentence 2 WpIG. Accordingly, certain remuneration requirements under Sections 8(3)–(6) and 9(2) WpI-VergV are not applicable to the Firm's MRTs.

As a result, the Firm does not apply certain requirements relating to:

- deferral arrangements.
- payment in instruments; and
- retention periods,

to the extent permitted under the applicable proportionality framework.

Guaranteed Variable Remuneration

Guaranteed variable remuneration may only be awarded:

- in exceptional circumstances.
- in connection with hiring new staff; and
- for the first year of employment only.

Any such award must be consistent with the Firm's capital position and governance framework and requires Management Board approval.

Malus and Clawback

The Firm maintains malus and clawback arrangements in accordance with its remuneration framework.

Variable remuneration may be reduced, cancelled or recovered in cases involving:

- misconduct.
- breaches of regulatory or internal obligations.
- material financial or reputational harm.
- significant compliance failures; or
- inaccurate performance assessments.

Clawback rights may generally be exercised for a period of up to five years following payment of the relevant variable remuneration.

6.5. Equality and Diversity

SFEG applies gender-neutral and non-discriminatory remuneration principles in accordance with applicable legal and regulatory requirements.

The Firm is committed to equal treatment and equal pay for work of equal value and maintains remuneration practices designed to support fairness, transparency and diversity.

6.6. Remuneration Breakdown

SFEG has identified four members of senior management staff including Executive Directors and five members of other staff who have a material impact on the risk profile of SFEG. The aggregate remuneration for all relevant staff and members of the senior management for the year ended 30 September 2025 was as follows:

Table 6 - Remuneration Breakdown

Position/Role	Number of Beneficiaries	Fixed Remuneration €'000	Variable Remuneration €'000	Aggregate Remuneration €'000
Senior Management	2	3,335,000	680,000	4,015,000
Other Staff	9	1,639,926	3,761,078	5,401,004
Total	11	4,974,926	4,441,078	9,416,004

Note: The 'Senior Management' category includes members of the Authorized Management and Executive Directors. The 'Other Staff' category includes Heads of the Risk, Compliance, and IT Functions, the Heads of the Dairy and Food Group, EU Dairy and OTC & Advisory.

During the abovementioned period, the Firm did not pay or award any deferred remuneration, any severance payments or any guaranteed variable remuneration. The Firm also did not award any deferred remuneration or severance payments for/in previous performance periods.

Moreover, the Firm benefits for the derogation in points (a) and (b) of Article 32(4) of the IFD in relation to the remuneration principles set by points (j) and (l) of paragraph 1 and the third subparagraph of paragraph 3 of IFD Article 32. This derogation applies to all staff employed by the Firm.

Appendix 1. Template EU CC1 - Composition of regulatory own funds

Row	Regulatory own funds item	Amounts (EUR)	Source based on EU IF CC2 reference
1	Own funds	27,163,589	
2	Tier 1 capital	27,163,589	
3	Common Equity Tier 1 capital	27,163,589	
4	Fully paid-up capital instruments	750,000	CC2-EQ1
5	Share premium	0.000	
6	Retained earnings	17,880,350	CC2-EQ4 + CC2-EQ5 + CC2-EQ6
7	Accumulated other comprehensive income	0.000	
8	Other reserves	8,575,950	CC2-EQ2 + CC2-EQ3
9	Minority interest given recognition in CET1 capital	0.000	
10	Adjustments to CET1 due to prudential filters	0.000	
11	Other funds	0.000	
12	(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	-42,711	CC2-A3
13	(-) Own CET1 instruments	0.000	
14	(-) Direct holdings of CET1 instruments	0.000	
15	(-) Indirect holdings of CET1 instruments	0.000	
16	(-) Synthetic holdings of CET1 instruments	0.000	
17	(-) Losses for the current financial year	0.000	
18	(-) Goodwill	0.000	
19	(-) Other intangible assets	-42,711	CC2-A3
20	(-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	0.000	
21	(-) Qualifying holding outside the financial sector which exceeds 15% of own funds	0.000	
22	(-) Total qualifying holdings in undertakings other than financial sector entities which exceeds 60% of own funds	0.000	
23	(-) CET1 instruments of financial sector entities where the institution does not have a significant investment	0.000	
24	(-) CET1 instruments of financial sector entities where the institution has a significant investment	0.000	
25	(-) Defined benefit pension fund assets	0.000	
26	(-) Other deductions	0.000	
27	CET1: Other capital elements, deductions and adjustments	0.000	
28	ADDITIONAL TIER 1 CAPITAL	0.000	
29	Fully paid-up, directly issued capital instruments	0.000	
30	Share premium	0.000	
31	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	0.000	
32	(-) Own AT1 instruments	0.000	
33	(-) Direct holdings of AT1 instruments	0.000	
34	(-) Indirect holdings of AT1 instruments	0.000	
35	(-) Synthetic holdings of AT1 instruments	0.000	

36	(-) AT1 instruments of financial sector entities where the institution does not have a significant investment	0.000	
37	(-) AT1 instruments of financial sector entities where the institution has a significant investment	0.000	
38	(-) Other deductions	0.000	
39	Additional Tier 1: Other capital elements, deductions and adjustments	0.000	
40	TIER 2 CAPITAL	0.000	
41	Fully paid-up, directly issued capital instruments	0.000	
42	Share premium	0.000	
43	(-) TOTAL DEDUCTIONS FROM TIER 2	0.000	
44	(-) Own T2 instruments	0.000	
45	(-) Direct holdings of T2 instruments	0.000	
46	(-) Indirect holdings of T2 instruments	0.000	
47	(-) Synthetic holdings of T2 instruments	0.000	
48	(-) T2 instruments of financial sector entities where the institution does not have a significant investment	0.000	
49	(-) T2 instruments of financial sector entities where the institution has a significant investment	0.000	
50	Tier 2: Other capital elements, deductions and adjustments	0.000	

Appendix 2. Template EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments

Row	Feature	CET1 instrument - GmbH share capital
Common Equity Shares		
1	Issuer	StoneX Financial Europe GmbH
2	Unique identifier (Legal Entity Identifier)	N/A
3	Public or private placement	Private
4	Governing law(s) of the instrument	German law; GmbHG and current Articles of Association
5	Instrument type	Common ordinary shares
Regulatory Treatment		
6	Amount recognised in regulatory capital (euro)	750,000.00 €
7	Nominal amount of instrument (euro)	750,000.00 €
8	Issue price	1.00 €
9	Redemption price	N/A
10	Accounting classification	Shareholder's equity
11	Original date of issuance	5.September 2025 (post-merger capital increase)
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	No contractual issuer call; capital reduction requires corporate and supervisory approvals
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
Coupons / dividends		
17	Fixed or floating dividend/coupon	Fully discretionary
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	N/A
20a	Fully discretionary in terms of timing	Fully discretionary
20b	Fully discretionary in terms of amount	Fully discretionary
21	Existence of step-up or other incentive to redeem	N/A
22	Noncumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A

30	Write-down features	N/A
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
35	Position in subordination hierarchy in liquidation	N/A
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A