



# StoneX<sup>®</sup>

## StoneX Financial Ltd

### Disclosures

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September 2025

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## 1. Overview

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### 1.1 Introduction

StoneX Financial Ltd ('SFL' or 'the Firm') is authorised and regulated by the Financial Conduct Authority ('FCA') of the United Kingdom and is a 'MIFIDPRU Investment Firm' as defined in the FCA Rules. The Firm is a non-SNI firm<sup>1</sup> for the purposes of the rules in the *Prudential sourcebook for MiFID Investment Firms* ('MIFIDPRU').

This document has been prepared in accordance with MIFIDPRU 8, which requires the Firm to make specific disclosures relating to its:

- Governance Arrangements;
- Risk Management Objectives and Policies;
- Own Funds; and
- Remuneration Policy and Practices.

These disclosures are intended to support market discipline by providing transparency on the Firm's risk profile, financial resources and risk management arrangements.

### 1.2 Frequency and Scope

SFL is a wholly owned subsidiary of StoneX Group Inc., a US corporation listed on the US Nasdaq exchange.

The Firm owns and controls StoneX Financial GmbH ('SFG'), incorporated and resident in Germany and regulated by the German Federal Financial Supervisory Authority ('BaFin') as a payment services firm.

The Firm, together with SFG, forms a consolidation group for prudential regulation purposes ('StoneX Financial Ltd Group'). However, in accordance with MIFIDPRU 8.1.7, the Firm is providing these disclosures on a solo basis.

The disclosures are published at least annually following the publication of the annual financial statements. Unless otherwise stated all figures are as of 30 September 2025 and are in US Dollars, which is SFL's reporting currency.

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<sup>1</sup> If a firm cannot satisfy the conditions set out in [MIFIDPRU 1.2.1](#) for it to be classified as a small and non-Interconnected ('SNI') investment firm, then it is classified as a non-SNI MIFIDPRU investment firm.

## 2. Risk Management

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### 2.1 Overview

In accordance with MIFIDPRU 8.2, a firm is required to disclose its risk management objectives and policies for the categories of risk addressed by:

- MIFIDPRU 4 – Own funds requirements;
- MIFIDPRU 5 – Concentration risk; and
- MIFIDPRU 6 – Basic liquid assets requirement.

Furthermore, the risk management objectives and policies for each of the items above must include:

- a concise statement approved by the firm's governing body describing the potential for harm associated with the business strategy; and
- a summary of the strategies and processes used to manage each of the categories of risk listed in MIFIDPRU 8.2.1 and how this helps to reduce the potential for harm.

The disclosures in this section are intended to provide transparency on how the Firm identifies, manages and mitigates risks of harm arising from its business activities. The information contained in this disclosure is derived directly from the Firm's Internal Capital and Risk Assessment ('ICARA') process and reflects the Board's assessment of the principal risks and potential harm arising from the Firm's business model. The disclosures have been prepared on a proportionate basis, having regard to the size, internal organisation and complexity of the Firm's activities.

### 2.2 Governance Framework

The Firm operates a robust governance framework designed to ensure effective oversight and prudent management of risk. This framework is supported by a clear allocation of responsibilities across the

- Board;
- Board Risk Committee;
- Executive Risk Committee; and the
- Risk Management Department, with escalation to the StoneX Group Risk Management Committee where required due to the nature or scale of risks.

The Board, comprising executive, independent and non-independent non-executive directors, sets and oversees the maximum level of risk the Firm is willing to accept in pursuit of its strategy. Risk is a standing agenda item at each Board meeting through review of the Board Risk Committee reports, enabling ongoing oversight of risk exposures, approval of exceptions and direction to management. The Head of the Risk Management Department is a Board executive director, reinforcing the integration and importance of risk oversight within senior-level decision making.

The Board Risk Committee supports the Board by advising on current and future risk strategy and appetite, and by overseeing management's implementation of the risk framework. Its remit covers credit, market, liquidity, capital, legal, reputational, operational and other material business risks.

The Executive Risk Committee is responsible for implementing the Board approved risk strategy and operating within the agreed risk appetite. It oversees risks set out in the Risk Management Framework, with day-to-day activities delegated to the Risk Management Department. The Executive Risk Committee is empowered to approve policies prior to final Board consideration, monitor significant risks, ensure appropriate mitigations are in place, and escalate matters outside risk appetite or involving material breaches to the Board Risk Committee with a clear management recommendation.

The Risk Management Department operates an independent risk management cycle of identification, assessment, monitoring and mitigation across market, credit, liquidity and operational risks. The Department is responsible for reviewing breaches of risk appetite, unless otherwise specified, and escalating matters to the appropriate governance forum. The Board ensures the Risk Management Department has sufficient authority, resources and independence to provide effective challenge and enforce risk limits.

## 2.3 Risk Management Framework

The Firm maintains a comprehensive risk management framework designed to identify, assess, manage and monitor the risks and potential harm arising from its business activities. The framework is aligned to the Firm's business strategy and risk appetite, and is embedded within day-to-day decision-making and governance processes.

Through the ICARA process, the Firm has identified the principal harms that could arise to its clients, the market and to the Firm itself. These harms are assessed across financial and non-financial risk categories, including operational, conduct, prudential and governance risks.

The Firm operates within a clearly articulated risk appetite approved by the Board. Risk exposures are monitored against defined tolerances, with escalation procedures in place where limits are breached. The Firm considers that the controls and mitigants in place, together with its capital and liquidity resources, are appropriate to manage these risks on an ongoing basis.

## 2.4 The Three Lines of Defence Model

SFL has instituted, via functional segregation and reporting structures, a "three lines of defence model" designed to safeguard the internal control framework. The executive directors and representatives from all the relevant functions, as well as from the business, assist the CEO in fulfilling his responsibilities in the day-to-day conduct of the Firm through effective management and leadership. Matters of concern can be escalated, as necessary, through the SFL CEO to the Board.

- The first line of defence comprises functions that undertake day-to-day risk-taking activities e.g. business lines and Treasury. Managerial and supervisory controls highlight

any control breakdowns, process inadequacies, or unexpected events that occur as part of these activities.

- The second line of defence comprises functions that perform risk processing and advise, monitor, and report on first-line activities. Second-line functions include Operations, Risk, Compliance, Finance, Legal and Human Resources. The second line function-heads are either members of the SFL Board or they can escalate any items, as necessary, to the SFL Board members directly. The Board is responsible for ensuring that the Risk function remains independent and adequately resourced.
- Independent review by the Internal Audit function forms the third line of defence to safeguard the internal control framework. Internal Audit conducts a programme of risk-based audits covering all aspects of both first and second lines of defence. Upon completion of each audit and discussion with management, Internal Audit reports directly to the SFL independent non-executive director who chairs the SFL Audit Committee, the SFL Board and via a global reporting line to the Group Audit Committee on the work undertaken and any significant findings.

## 2.5 Risk Monitoring and Reporting

Risk is supervised through an ongoing cycle of identification, assessment, monitoring and mitigation across all material risk types. Monitoring is performed on a continuous basis by the Risk Management Department, with dedicated coverage across market, credit and operational risks. Risk exposures, emerging issues and approved exceptions are captured through established risk reporting processes, enabling senior management and the Board to maintain effective oversight of the Firm's risk profile.

Where risk exposures move outside defined tolerances, or where material breaches occur, these are reviewed and escalated in accordance with the escalation principles set out in the Risk Management Framework. This framework also supports the Firm's ICARA, informing assessments of capital and liquidity adequacy under severe but plausible stress scenarios.

Key characteristics of this framework include:

- application of a consistent risk management cycle across material risks
- independent monitoring by the Risk Management Department
- reporting of risk exposures, exceptions and emerging risks
- integration of monitoring outputs into prudential assessments, including ICARA

## 2.6 Risk Appetite

- The Firm has Board-approved risk appetite statements covering all material risks to which it is exposed. These risk appetite statements set out the level of risk the Firm is willing to accept in pursuit of its strategic objectives and are established within the context of the StoneX Group risk appetite, which the Firm cannot exceed. Risk appetite provides the basis for assessing whether the Firm's risk profile remains aligned with its strategic objectives and financial resources.

- Risk appetite for SFL is defined by risk type and is used to support limit setting, monitoring and escalation. Adherence to risk appetite is monitored by the Risk Management Department, with breaches reviewed and escalated in accordance with the Risk Management Framework.
- Risk appetite is reviewed at least annually as part of the ongoing maintenance of the RMF.

## 2.7 Principal Firm Risk

MIFIDPRU 4 outlines certain risks related to MiFID activities that an investment firm carries out. Firms are expected to assess the value of own funds that they need to hold for those risks through K-factor requirements, which are a set of prescribed activity and exposure-based assessments.

SFL has outlined the key K-factors along with the principal risks that it is exposed to, and the actions taken to mitigate these risks.

### Client Money and Client Assets

The Firm holds client money and safeguards and administers client assets in accordance with the FCA's Client Asset Sourcebook ('CASS') during the course of its regulated activities and is designated as a CASS Large firm. Client Money Held ('CMH') and Assets Safeguarded and Administered ('ASA') are captured within the Firm's own funds requirement through the relevant K-factors, ensuring that own funds are held in proportion to the level of client money and client assets managed by the Firm.

The Firm's ICARA identifies the primary risks associated with client money and client assets as operational and compliance in nature. These risks are mitigated through a comprehensive CASS governance and control framework, including segregation of client money and assets in accordance with CASS, robust operational controls and ongoing oversight by the CASS and Safeguarding Committee, which flows through the Board Audit Committee to the Board.

### Counterparty Credit Risk

Counterparty credit risk covers the risk of potential losses arising from the default of a counterparty.

Credit risk is inherent in the normal course of trading activity undertaken by SFL. It seeks to mitigate this risk through a credit review process of corporate counterparties that it onboards, implementing portfolio and position limits where applicable. Likewise, for retail clients, strict margin close-out processes exist for client positions that do not comply with the applicable margin requirements.

### Market Risk

Market risk is the risk of losses for both on and off-balance sheet positions arising from adverse movements in market prices.

SFL deals on its own accounts only for the purpose of fulfilling or executing a client's order or to provide access to a clearing and settlement system or a recognised exchange when acting in an agency capacity or executing a client order. The Firm will hold residual market risk positions as part of its client facilitation, market making or principal trading activities.

SFL manages market risk through monitoring of exposure levels on an intra-day basis whereby any breaches above set notification or approval limits are escalated for further investigation or trigger the requirement for action to be taken.

## Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events, and includes legal risk. Operational risk by nature has a very broad scope and StoneX Group has a dedicated operational risk function to cover all aspects, as laid out in the StoneX Group's Operational Risk Framework.

The Firm inherently has operational risk given the magnitude of the Firm's activities. All operational risks can lead to several types of financial losses including loss of business, reputational issues, or significant fines.

The Firm has implemented systems and controls to manage and mitigate operational risks, including, but not limited to, the Operational Risk and Regulatory frameworks and controls; the Operational Resilience programme; and a Cyber Security framework.

## 2.8 Concentration Risk

Concentration risk arises where the Firm is exposed to a single counterparty or group of connected counterparties.

The Firm has no appetite to hold concentrated trading book exposures to any individual client, group of connected clients or affiliate entity. While the Firm may generate significant revenues from individual clients or a relatively small proportion of clients, it does not rely on any single client or group of connected clients for its ongoing profitability. A key strength of the Firm's business model is the diversity of its client base and revenue streams across business lines.

Concentration considerations relating to exposures to group entities are assessed as part of the Firm's group risk assessment. Concentration risk is mitigated through diversification of revenues across business lines and clients, including through the Payments and Self-Directed/Retail businesses, which serve a broad and diversified customer base.

## 2.9 Liquidity Risk

Liquidity risk is defined as the risk that the Firm, although solvent, either does not have available sufficient financial resources to enable it to meet its obligations as they fall due or can secure such resources only at excessive cost.

The main sources of liquidity risk for SFL can arise from

- stressed markets resulting in e.g. intraday margin calls;
- operational events e.g. loss of DSLs; and
- idiosyncratic credit-driven events.

These are assessed in detail as part of the Firm's Liquidity Risk Drivers Assessment, in line with the SFL Liquidity RCSA process and liquidity stress testing methodology as detailed in the ICARA.

## 3. Governance

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### 3.1 Overview of Governance Arrangements

The Firm, as a MIFIDPRU Investment Firm, is subject to the organisational requirements in 4.3A.1 of the Senior Management Arrangements, Systems and Controls Sourcebook of the FCA Handbook ('SYSC').

Under SYSC 4.3A.1, the Firm must ensure that the Management Body defines, oversees and is accountable for the implementation of governance arrangements that ensure effective and prudent management of the Firm, including the segregation of duties in the organisation and the prevention of conflicts of interest, and in a manner that promotes the integrity of the market and the interests of the Firm's clients.

To comply with the requirement in SYSC 4.3A.1, the Firm has procedures in place to ensure that members of the Management Body are selected based primarily on the following criteria:

- Their reputation within the market;
- The possession of the necessary knowledge, skills and experience to perform the relevant duties;
- Whether their addition will complement the Management Body's collective knowledge, skills and experience in relation to the Firm's activities, including the main risks it faces; and
- Consideration of the diversity of viewpoints, backgrounds, experiences, and other demographics.

### 3.2 Governance Structure

The Firm considers that a sound corporate governance framework is essential to facilitate effective, entrepreneurial and prudent management that can deliver the long-term success of the Firm.

To support a clear organisational structure with well-defined, transparent and consistent lines of responsibility, the Firm has established the following governance structure including four Board Committees:

- Board Risk Committee
- Board Remuneration Committee
- Board Nominations Committee
- Board Audit Committee

In addition to the Board Committees, there are seven executive level committees that ultimately report via the executive directors of the Board to the Board itself:

- Executive Risk Committee
- Client Money Assets and Safeguarding Committee
- Liquidity and Capital Risk Management Committee
- Financial Crime Prevention Committee
- Compliance Committee

- Best Execution Committee
- EMEA Approvals Committee

## 3.3 Roles & Responsibilities

The Firm's Board is the governing body of the Firm and oversees the maximum amount of risk that the Firm may take whilst pursuing its strategy. In coordination with the Board and Executive Committee of StoneX Group Inc, the Board sets the Firm's values and standards and ensures that its obligations are understood and met.

To this end, the role of the Firm's Board in relation to risk is to:

- Provide leadership and direction for senior management;
- Determine, oversee and monitor the overall strategic direction of the Firm ensuring appropriate alignment with StoneX Group strategy;
- Set the risk appetite and ensure it has a risk management framework to identify and manage risk on an ongoing basis;
- Ensure the Firm complies with applicable laws and regulations;
- Oversee, challenge and ultimately approve and promote the Firm's ICARA;
- Monitor the performance of the Firm and the executives, and hold them accountable for the exercise of their delegated powers and delivery against applicable strategic goals;
- Select and appoint key function holders in consultation with the Executive Committee of StoneX Group; and
- Promote behaviours consistent with the culture and values of the Firm.

## 3.4 Directorships

The number of executive and non-executive directorships held by the directors at the year ended 30 September 2025 were as follows:

*Table 1 - Number of Directorships*

Director	Number of Executive Directorships	Number of Non-Executive Directorships
Philip Smith	1	0
Justin van Wijngaarden	1	0
Stuart Davison	1	0
Ashish Vekaria	1 <sup>2</sup>	0
Lindsay McNeile	0	1
Malcom Wilde	0	1
Diego Rotzstain	0	1
Ian Gibson	0	1
Gregory Kallinikos	0	1 <sup>2</sup>
Sean O'Connor	0	1 <sup>3</sup>

<sup>2</sup> Appointed on 20 October 2025

<sup>3</sup> Resigned on 1 May 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 holds a qualifying holding.

## 3.5 Risk Committee

The Firm is required by MIFIDPRU 7.3 to establish a (Board) Risk Committee and has done so in accordance with this requirement.

## 3.6 Diversity

The Firm believes that it is more successful commercially with a diverse employee population and encourages hiring and promotion practices that focus on the best talent and the most effective performers, regardless of gender, national origin, ethnicity or other protected class.

The Firm leverages its differences, and use of collective experiences, backgrounds and knowledge to meet the needs of its clients, businesses and communities in which it serves. All of SFL's employees contribute to the Firm's competitive advantage defined by its corporate values: **client focus, connected, authentic and entrepreneurial**.

The promotion of diversity, equality, inclusion and belonging on the Board is integral to the role of the Firm's Board Nomination Committee.

Each year, the Firm is continuing to see a positive impact on its gender ratios. The Firm's 2024 Gender Pay report outlined gender ratios of 68% males and 32% females and as of February 2026, this remained broadly consistent at 67% males and 33% females globally. The SFL Board is committed to monitoring gender ratios on a quarterly basis and operates gender neutral remuneration practices taking into account both financial and non-financial metrics. The Firm is committed to equal pay for equal work or work of equal value, which will be further reinforced through the phased launch of a global Job Architecture programme to the business.

The Firm's culture of diversity, equality, inclusion and belonging is supported by a number of internal programmes and Employee Resource Groups ('ERG'):

- **Early In Career** programme – sourcing and retaining talent for the future workforce
- **Succession Planning** for all Senior Management Function positions
- Internal **Mentorship** opportunities
- **Apprenticeship** programme and utilisation of the UK skills levy fund
- **Global Strategic Leadership and Management** programmes
- Continued partnership with **Saracens Foundation**
- **StoneX Women's Network** - works to provide information, access and education designed to inform both the group and team managers about propelling this demographic group forward and tapping into its fullest potential

- **LGBTQIA+** – supports the mission of StoneX by fostering an environment where global LGBTQIA+ employees and allies in the StoneX community feel they belong at, are affirmed by, and are empowered to engage with StoneX.
- **Ability@Stonex** – aims to drive campaigns to educate and increase awareness across both our employee and manager community and to identify ways to leverage diversity of thought and cognitive ability to increase inclusion, as well as focus on providing career paths and opportunities for our neurodiverse employees' professional development.
- **Philanthropy@StoneX** – an employee-led, self-directed voluntary group that offers opportunities to elevate collaborative generosity, to educate its constituents with proven ideas and solutions, and to boost morale, foster altruism and strengthen personal bonds through engaging in philanthropic endeavours.

The Board Nomination Committee is committed to addressing diversity on the Board, with the aim to represent the communities in which we operate.

The Firm operates a global business across multiple business segments, products and service areas and it believes that it is especially important that SFL attracts employees with diverse backgrounds and the capability to address client needs across the numerous cultures in the countries in which the Firm operates.

The StoneX Group has adopted Code of Ethics that applies to its directors, officers and employees of the Group Company and each of its subsidiaries. It demands honest and ethical conduct from all employees. The Code of Ethics is publicly available on the StoneX Group website at <https://ir.stonex.com/corporate-governance/overview>.

## 4. Own Funds

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The Firm maintains own funds that meet the definition and eligibility criteria set out in MIFIDPRU. The composition of own funds primarily comprises Common Equity Tier 1 capital, which the Firm considers to be of the highest quality and most suitable to support its business model.

The level and composition of own funds are monitored on an ongoing basis and reconciled to the Firm's audited financial statements. The Firm considers its own funds to be adequate to meet its regulatory requirements and to support the continuation of its business under both normal and stressed conditions.

As at 30 September 2025, SFL's own funds comprised Common Equity Tier 1 ('CET1') capital made up of share capital, retained earnings and other reserves.

The Firm is subject to the disclosure requirements stipulated in MIFIDPRU 8.4.1 R. As such, the tables below set out:

- details of Common Equity tier 1 items, additional tier 1 items, tier 2 items, and the applicable filters and deductions applied in order to calculate the own funds of the Firm (i.e., a composition of regulatory own funds);
- a reconciliation of the Firm's composition of regulatory own funds with the capital in the balance sheet in the audited financial statements of the Firm; and
- a description of the main features of the Common Equity tier 1 instruments, additional tier 1 instruments and tier 2 instruments issued by the Firm.

The table below illustrates the full composition of the Firm's own funds.

Table 2 - Composition of regulatory own funds

	(a) Amounts (\$'000)	(b) Source based on reference numbers/letters of the balance sheet in the audited financial statements (Cross reference to Table 3)
1 OWN FUNDS	618,116	
2 TIER 1 CAPITAL	618,116	
3 COMMON EQUITY TIER 1 CAPITAL	618,116	
4 Fully paid-up capital instruments	132,000	Shareholder's Equity - 1
5 Share premium	84,000	Shareholder's Equity - 2
6 Retained earnings	473,073	Shareholder's Equity - 4
7 Accumulated other comprehensive income		
8 Other reserves	(1,066)	Shareholder's Equity - 3
9 Adjustments to CET1 due to prudential filters		
10 Other funds		
11 (-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	(69,891)	Total Assets - 1, 4 & 5
19 CET1: Other capital elements, deductions and adjustments		
20 ADDITIONAL TIER 1 CAPITAL	0	
21 Fully paid up, directly issued capital instruments		
22 Share premium		
23 (-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1		
24 Additional Tier 1: Other capital elements, deductions and adjustments		
25 TIER 2 CAPITAL	0	
26 Fully paid up, directly issued capital instruments		
27 Share premium		
28 (-) TOTAL DEDUCTIONS FROM TIER 2		
35 Tier 2: Other capital elements, deductions and adjustments		

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

\$'000	Balance sheet as in published/audited financial statements As at period end	Under regulatory scope of consolidation	Cross reference to Table 2
<b>Non-Current Assets</b>			
1	Intangible assets	39,804	Ref 11
2	Property plant and equipment	65,534	
3	Equity investments at FVOCI	2,946	
4	Investment in group undertakings	9,097	Ref 11
5	Deferred taxation	20,990	Ref 11
<b>Current Assets</b>			
6	Inventory	238,308	
7	Derivative financial instruments	1,924,884	
8	Reverse repurchase agreements	893,367	
9	Securities borrowed	237,237	
10	Trade and other receivables	3,141,492	
11	Financial instruments	124,674	
12	Cash at bank	646,000	
<b>Total Assets</b>		<b>7,344,333</b>	
<b>Current Liabilities</b>			
1	Derivative financial instruments	2,757,922	
2	Repurchase agreements	700,241	
3	Securities loaned	380,207	
4	Financial Instruments - Paid	114,470	
5	Trade and other payables	2,650,242	
<b>Non-Current Liabilities</b>			
1	Lease liabilities	53,244	
<b>Total Liabilities</b>		<b>6,656,326</b>	
<b>Shareholder's Equity</b>			
1	Called up share capital	132,000	Ref 4
2	Share premium	84,000	Ref 5
3	Other reserves	(1,066)	Ref 8
4	Retained earnings	473,073	Ref 6
<b>Total Shareholder's Equity</b>		<b>688,007</b>	

Table 4 - Main features of own instruments issued by the Firm

Issuer	StoneX Financial Ltd
Instrument type	Common Ordinary Shares
Amount recognised in regulatory capital	\$132,000,000
Nominal amount of instrument	1
Issue price	\$1.00
Accounting classification	Shareholder's Equity
Original date of issuance	09 November 2005
Perpetual or dated	Perpetual

## 5. Own Funds Requirement

### 5.1 The Firm's Own Funds Requirement

At 30 September 2025, SFL's Own Funds Requirement is determined by the applicable regulatory K-factors at \$154.4 million, outlined in Table 5 below.

Table 5 - Own Funds Requirement as at 30 September 2025

	\$'000
K-factor Requirement	
Sum of K-AUM, K-CMH & K-ASA	5,516
Sum of K-COH & K-DTF	5,999
Sum of K-NPR, K-CMG, K-TCD & K-CON	142,909
<b>Total K-factor</b>	<b>154,424</b>
<b>Fixed Overhead Requirement</b>	<b>61,505</b>

### 5.2 The Firm's ICARA Process

The Firm's Internal Capital and Risk Assessment (ICARA) process is the means by which it assesses the adequacy of its financial resources, including capital and liquidity, in accordance with the MIFIDPRU requirements. The ICARA applies across all business activities and is proportionate to the nature, scale and complexity of the Firm's business. It is reviewed at least annually and following any material change to the Firm's business or operating model.

As part of its ICARA, the Firm assesses the adequacy of its own funds in line with the overall financial adequacy rule, including the resources required to address unmitigated and residual risks of harm to the business as a going concern and to support an orderly wind-down. As a non-SNI firm, the Firm uses its K-factor requirement as a key input into this assessment and determines whether additional own funds are required where risks of harm are not adequately captured.

The Firm also assesses the level of liquidity resources it requires in accordance with the overall liquidity adequacy rule. This includes consideration of its ability to meet obligations as they fall due, including under severe but plausible stress conditions, and to maintain liquid assets in excess of its Liquid Asset Threshold Requirement.

#### Wind-down planning

The Firm has developed a wind-down plan that sets out the actions it would take to cease its regulated activities in an orderly manner, should this become necessary. The plan identifies a range of quantitative and qualitative triggers, including capital, liquidity, operational and governance indicators, that would prompt consideration of wind-down.

As part of the ICARA process, the Firm has assessed the financial resources required to execute an orderly wind-down. The Firm has concluded that it holds sufficient capital and liquidity resources to support wind-down, and that wind-down is not expected to be required under the base case or under plausible stress scenarios.

## 6. Remuneration

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For the purpose of this Disclosure, the Firm is subject to the requirements of SYSC 19G MIFIDPRU Remuneration Code ('MIFIDPRU Code'). This disclosure meets the requirements as set out in MIFIDPRU 8.6.

The Firm complies with the MIFIDPRU Code in a manner that is appropriate to the size and internal organisation and to the nature, scope and complexity of its activities.

Any staff member identified as a Material Risk Taker ('MRT') (inclusive of overseas employees if any) has been included for reporting purposes.

### 6.1 Remuneration Governance

The Firm's Board Remuneration Committee comprises non-executive directors with regular attendance from the executive directors, Head of HR, EMEA and the Chief Compliance Officer, EMEA.

The Board Remuneration Committee has the responsibility to maintain a robust Remuneration Policy in adherence with the MIFIDPRU Code and the StoneX Group's remuneration practices.

The Board Remuneration Committee is charged with overseeing the implementation of the remuneration practices and as part of this responsibility, approves and, no less than annually, reviews the provisions of the Remuneration Policy to ensure:

- compliance with the MIFIDPRU Code and any other applicable regulation or StoneX Group policy and procedures;
- consideration of the StoneX Group's remuneration practices and policies as determined from time to time by the StoneX Group's Compensation Committee;
- that any proposed or existing remuneration structures are consistent with the Firm's risk appetite, profitability and capital position; and
- that any proposed or existing remuneration packages do not reward poor conduct or performance, or conflict with the principles and spirit of the StoneX Group's culture or any of its policies.

### 6.2 Remuneration Policy

The Firm applies a 'pay-for-performance' approach to remuneration, to recognise employees who contribute the greatest value to the Firm, considering performance, behaviours, experience and critical skills. The intent of this approach is to attract and retain the best skills and talents, to foster employee engagement and to strengthen the Firm's leadership.

The Firm's remuneration policies and practices are driven by its desire to reward its staff fairly and competitively, but at the same time, create a culture of principled behaviour and actions (particularly with respect to the areas of risk, compliance, control, conduct and ethics). As such, the Firm's remuneration policies and practices have been designed to contribute to the achievement of the Firm's objectives, but in a way that does not encourage excessive risk-taking or the violation of applicable laws, guidelines, and regulations and which takes the capital position and economic performance of the Firm over the long term into account. The Firm's remuneration policy aims to support the execution of the Firm's strategy, rewarding sustained performance and growth that is aligned with the StoneX Group's values: **client focus, connected, authentic and entrepreneurial**.

## 6.2.1 Performance Aligned

The Firm's remuneration practices and policy are designed such that any performance-related variable remuneration that is paid to staff is based on a combination of the assessment of the performance of:

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

## 6.2.2 Competitive

The Firm looks at the total reward package ensuring that this is in line with the market, which enables the attraction, motivation and retention of high-quality employees.

## 6.2.3 Fair

The reward programmes support the Firm's commitment in creating a diverse and inclusive organisation, ensuring that all colleagues are rewarded fairly in view of the results achieved and individual contributions. The reward approach is designed to attract, motivate and retain high-quality colleagues, regardless of gender, ethnicity, age, disability or any other factors unrelated to performance, contribution or experience.

## 6.3 Structure of Remuneration

Remuneration and associated benefits are paid consistently, fairly and equitably across the business and in accordance with individual skills and performance levels referring to local industry and/or market conditions. The Firm aims to optimally utilise and maintain a suitable balance between each employee's fixed and variable compensation components, encompassing a comprehensive total remuneration package. This package is designed to align with the individual's role, profile, contributions and achievements. Individual remuneration packages are adjusted over time, considering the Firm's performance results, external market dynamics, and the employee's role, profile, conduct and accomplishments. These adjustments may involve increases or potentially decreases, as warranted by evolving circumstances.

## 6.3.1 Fixed Remuneration

### Basic Salary

The fixed element is an individual's permanent and pre-determined annual salary and reflects a staff member's professional experience and organisational responsibility as set out in the staff member's job description and terms of employment.

### Benefits

A number of benefits are offered that are appropriate to the market, compliant with all legal requirements and intended to provide choice and flexibility to meet individual needs.

## 6.3.2 Variable Remuneration

Variable pay pools are established by assessing the Firm's profitability, with due consideration given to current and anticipated risks. When determining individual variable pay levels, managers evaluate individual performance by combining specific quantitative and qualitative performance criteria specified in the employee's annual goal plan. The Firm's philosophy emphasises recognising accomplishments not only in terms of 'what' is achieved but also 'how' it is achieved. The continuous assessment of employees' skills and behaviours against the prescribed core competencies, and adherence to risk and compliance policies, are also factored in.

*Table 6 - Financial and non-financial performance criteria considered for variable remuneration awarded to staff*

	Financial Performance Criteria	Non-financial Performance Criteria
Performance criteria used in relation to the Firm	Gross Revenue	Achievement of strategic goals
	EBITDA	Compliance related performance
	Costs	
Performance criteria used in relation to the Firm's business units	Attributable revenue generation	Risk and reputation mitigation
	Expense management	Strategic goals
Performance criteria used in relation to the Individuals	Attributable revenue generation	Customer feedback / relationships/ internal engagement survey
	Business development criteria	Performance in line with the Firm's strategy
		Adherence to the Firm's risk management policies

### Annual Bonus

A discretionary annual bonus payment is paid typically to non-revenue generating staff. Bonuses are calculated with consideration given to business and individual performance and conduct and require sign off from the StoneX Group Executive Committee member, with the approach approved by the SFL Board Remuneration Committee

All bonus awards are assessed within its global business divisions. Individuals are assessed against their peers to ensure allocation of the bonus pool reflects relative performance within teams.

### Quarterly Bonus

This is calculated as a portion of trading contribution earned by the respective business group after deducting certain direct costs, including any charges for bad debts. Payments are made quarterly after an assessment of individual performance in the business group.

## Material Risk Takers ('MRTs')

Staff classified as MRTs, except those to whom exemptions apply, will receive at least 50% of annual variable compensation delivered in restricted StoneX Group shares. MRTs include those employees who may be working for other StoneX Group affiliate entities.

Where an MRT is not exempt from the MIFIDPRU Code, the Firm complies with the pay-out rules utilising the variable remuneration arrangements as per the Remuneration Policy. Any deferred remuneration is in the form of restricted StoneX Group shares.

Restricted StoneX Group shares awarded to MRTs vest equally over three years on the award date with a one-month retention period at the end of each vesting, thereafter the shares, adjusted for associated payroll taxes, will be available to employees.

## Restricted Stock Plan

All employees are offered the opportunity, annually, to exchange up to 30% of their variable compensation for restricted StoneX Group stock, known as the Restricted Stock Plan ('RSP'). This is an entirely voluntary election, made at the beginning of each financial year, and binding once made. The restricted stock is purchased at a 25% discount to market value on the relevant award date and vests in three equal tranches over three years on the anniversary of the award date.

## Guaranteed variable remuneration

In exceptional and justified circumstances, the Firm may award guaranteed variable remuneration such as sign-on bonuses. Guaranteed bonuses are subject to appropriate level of approvals and are limited to the first year of employment. Additionally, any guaranteed variable remuneration is subject to adherence to the Firm's policies and procedures and meeting minimum conditions, such as the staff member being in employment and not under notice or subject to a disciplinary sanction.

## Severance payments

In certain and limited circumstances, severance payments may be made. In such circumstances, severance pay is determined on a case-by-case basis and involves input from the legal, human resources and compliance departments. Additionally, the advice of external counsel may be sought to ensure any severance payment is sound.

## 6.4 Malus and Clawback

The Firm applies ex-ante and ex-post adjustments to variable remuneration to ensure that the remuneration awarded is fully aligned with the risk appetite of the Firm. The Firm applies malus (adjustment) and clawback (recovery) to MRT variable remuneration in accordance with the MIFIDPRU Code.

**Malus** may apply to MRT variable remuneration in the following circumstances but not limited to:

- compliance breaches;
- risk limit breaches;
- where the MRT participated in or was responsible for conduct which resulted in significant losses to the Firm or relevant business line;
- where the MRT failed to meet appropriate standards of fitness and propriety; and/or
- where the MRT participated in or was responsible for conduct which resulted in a material failure of risk management at the level of the Firm or relevant business line.

Malus will apply in the period prior to the vesting of any equity-based compensation awards. The Firm applies a three-year clawback period from the vesting of any equity-based compensation awards, and from the payment any cash awards.

Clawback may apply to MRT variable remuneration in the following circumstances:

- whether there is evidence of serious error by the staff member (e.g. breach of code of conduct and other internal rules, especially concerning risks);
- whether there has been conduct that led to significant losses;
- whether the Firm has suffered from a significant failure of risk management;
- where there are significant changes to the Firm’s economic or regulatory capital base;
- where the MRT failed to meet appropriate standards of fitness and propriety; and/or
- in cases of fraud or other conduct with intent or severe negligence by the MRT which led to significant losses to the Firm.

Malus and clawback terms are set out or referred to in the MRT variable remuneration award documents and are subject to compliance with applicable laws.

## 6.5 Material Risk Takers Identification

The Firm has identified MRTs in accordance with the FCA MIFIDPRU Remuneration Code and guidance set out in SYSC 19G.5. In addition, the Firm undertakes additional qualitative assessment to identify any further individuals whose activities:

- Could have a material impact to the balance sheet of SFL
- Could have a material impact to the revenue or net profit of SFL
- Could have a material impact to the reputation of SFL

The Firm reviews its MRTs annually and takes a prudent approach when applying any proportionality to MRTs.

## 6.6 Quantitative Remuneration Disclosures

This submission includes SFL employees and any identified other StoneX Group entities MRTs for year ending 30 September 2025 and outlines the aggregate total remuneration (both fixed and variable pay).

*Table 7 - Total Remuneration Awarded*

\$'000	Senior Management	Other MRTs	Other Staff	Total
Total Fixed Remuneration	6,478	3,697	120,016	130,191
Total Variable Remuneration	23,387	4,790	65,620	93,797
<b>Total Remuneration</b>	<b>29,865</b>	<b>8,487</b>	<b>185,636</b>	<b>223,988</b>

Table 8 - The Amount of Guaranteed Variable Remuneration Awarded to MRTs

\$'000	Senior Management	Other MRTs	Total
Number of MRTs	0	0	0
Guaranteed Variable Remuneration	0	0	0

Table 9 - Total Amount of Severance Payments Awarded to MRTs

\$'000	Senior Management	Other MRTs	Total
Number of MRTs	0	0	0
Total Amount of Severance Payment	0	0	0

Table 10 - The Amount and Forms of Remuneration Awarded to MRTs

\$'000	Senior Management	Other MRTs	Total
Number of MRTs	21	17	38
Total Variable Remuneration	23,387	4,790	28,177
Of which is cash based			
Non-deferred	14,213	3,136	17,349
Deferred	0	0	0
	14,213	3,136	17,349
Of which is shares			
Non-deferred	0	0	0
Deferred	9,175	1,654	10,828
	9,175	1,654	10,828
Of which is share linked instruments			
Non-deferred	0	0	0
Deferred	16	98	114
	16	98	114
Of which is other form			
Non-deferred	0	0	0
Deferred	0	0	0
	0	0	0

Table 11 - The Amount of Deferred Remuneration Awarded to MRTs

\$'000	Senior Management	Other MRTs	Total
Amount of deferred remuneration awarded for previous performance periods			
Of which: due to vest in the financial year in which the disclosure is made	7,585	1,862	9,447
Of which; due to vest in subsequent years	26,736	3,100	29,836
	34,321	4,962	39,283
Amount of deferred remuneration due to vest in the financial year in which the disclosure is made			
Of which: is or will be paid out	7,585	1,862	9,447
Of which: the amount was due to vest but withheld as a result of performance adjustment	0	0	0
	7,585	1,862	9,447

Table 12 - The MRTs exempt from Provisions of MIFIDPRU Remuneration Code

	\$'000	Senior Management	Other MRTs	Total
Total Remuneration of MRTs who are exempted from the provisions of MIFIDPRU Remuneration Code				
Number of MRTs		10	8	18
Total Fixed Remuneration		2,718	1,498	4,215
Total Variable Remuneration		1,391	583	1,974
<b>Total Remuneration</b>		<b>4,109</b>	<b>2,081</b>	<b>6,190</b>

## 7. Investment Policy

MIFIDPRU 8.7 of the FCA's Handbook requires investment firms to make specific disclosures in respect of their investments in companies whose shares are admitted to trading on a regulated market and:

- only in respect of those shares to which voting rights are attached; and
- where the proportion of voting rights that the investment firm directly or indirectly holds exceeds the threshold of 5% of all voting rights attached to the shares issued by the company at the time of the general meeting.

As the Firm does not have any company holdings that meet these criteria, the Firm is not required to make the disclosures required in MIFIDPRU 8.7.