# TP ICAP Europe SA

## Pillar 3 Disclosures

## 2022

Classification: Public

# Contents



The following Pillar 3 disclosure has been prepared in line with Article 46 of the REGULATION (EU) 2019/2033 on the prudential requirements of investment firms and amending Regulations (EU) No 1093/2010, (EU) No 575/2013, (EU) No 600/2014 and (EU) No 806/2014 (IFR).

# Business Overview

**TP ICAP (Europe) SA is an active inter-dealer broker in wholesale markets across a wide range of asset classes which comprise credit, equities, rates, futures, emerging markets and commodities. This makes the business relatively resilient throughout the economic cycle.**

The Company is a wholly owned subsidiary of TP ICAP EMEA Investments Limited (formally known as Tullett Prebon Investment Holdings Limited). The Company's ultimate parent company and controlling party is TP ICAP Group plc (the "Group").

The Company is authorised and regulated by the Autorité de Contrôle Prudentiel et de Résolution (ACPR); the Autorité des Marchés Financiers ("AMF") and from January 2022 by the National Futures Association ("NFA") in support of the Group's Brexit strategy. It is anticipated that the Company will continue its present business activities for the foreseeable future.

TP ICAP Europe SA had net operating revenue of €156m for 2022 (2021: €79m). Approximately 57% (2021:81%) of this revenue was generated by its activities conducted from France, and the remaining from its Continental European branches.

During the financial year the main movements were:

- Net operating revenue significantly increased, principally due to increased brokerage fee revenue from additional activities driven by the execution of the Group's Brexit Strategy.
- Administrative expenses have increased proportionately in line with the increased brokerage activities.
- Further to the transfer of the Company's registered office on 31 May 2022, it's former building was sold on 4 Oct 2022 leading a capital gain of €11.2m.

# Risk Management

## Risk Strategy

The Board adopts an annual Risk strategy that identifies the core risk management objectives that must be met for the Group to deliver its Business Strategy.

The Risk strategy constitutes the guiding principles by which all the Group's risk management activity must be undertaken.

## Risk Appetite

The Board articulates the overall level of risk the Group is willing to take for the various risks it faces within its Risk Appetite Statements.

The Risk Appetite Statements set the parameters within which the Group must manage its risk profile, and so provides the context for all the Group's risk management activity. This includes defining the Group's overall loss tolerance and its targeted level of prudential adequacy.

The Risk Appetite Statements are cascaded and operationalised throughout the Group through a framework of risk appetite implementation metrics. These provide the operational parameters the business must operate within on a day-to-day basis.

### Approach

The Group has aligned its Risk Appetite Statements with its Business and Risk Objectives and therefore adopts statements which cover its:

- Capital and liquidity adequacy;
- Reputation as an impartial and trusted financial intermediary;
- Regulatory standing;
- Operational resilience;
- Access to Capital Markets; and
- Impact on the Group's Strategy.

The Risk Appetite Statements may be expressed in both quantitative and qualitative terms, depending on the risk area they address. For example, risk statements relating to the Group's capital or liquidity position include both quantitative and qualitative elements, while Risk Appetite Statements relating to the Group's reputation or regulatory standing are expressed in qualitative terms.

### Prudential Risk

The Group's risk objective is to maintain a robust financial position in both normal and stressed conditions. This is to be achieved by maintaining profitability, ensuring capital resources and liquidity resources are sustained at levels that reflect the Group's risk profile, and by maintaining access to capital markets.

### Operational Risk

The Group's objective is to ensure that it has access to the people, technology and operational infrastructure required to operate its business effectively and to meet its strategic goals. The Group must also ensure that its key operational processes are appropriately controlled and that its infrastructure operates effectively and with an appropriate degree of resilience to minimise the potential for losses resulting from operational failures.

### Financial Risk

The Group is prepared to accept counterparty credit risk provided that the permitted level of exposure that can be held with each counterparty appropriately reflects the creditworthiness of the counterparty and is justified by an appropriate commercial benefit to the Group. The Group is not prepared to accept an undue concentration of credit risk exposure with any single counterparty or Group of connected counterparties.

### Strategic and Business Risk

The Group operates in a challenging commercial environment characterised by rapidly evolving client requirements, aggressive competitor activity and a developing regulatory framework. The Group seeks to address these challenges through the adoption and execution of a well-defined and responsive business strategy that ensures the continued viability and growth of the Group's business.

## Enterprise Risk Management Framework

The purpose of the ERMF is to enable the Group to understand the risks to which it is exposed and to manage these risks in line with its stated risk appetite. The ERMF achieves this objective through several mutually reinforcing components, which include:

- the operation of a robust risk management and governance structure based on the three lines-of-defence model;
- the fostering of an appropriate risk management culture; and
- a range of risk management processes to enable the Group to identify, assess and manage its risks effectively.

## Organisational Structure

The ERMF is operated through a three lines of defence ('3LOD') model, whereby risk management, risk oversight and risk assurance roles are undertaken by separate and independent functions. All 3LOD is overseen by the Group's governance committee structure (including Risk, Audit and Remuneration Committees). The Board has overall responsibility for the management of risk within the Group, which includes:

- Defining the nature and extent of the risks it is willing to take in achieving its business objectives through formal risk appetite statements;
- Ensuring that the Group has an appropriate and effective risk management and internal control framework;
- Monitoring the Group's risk profile against the Group's defined risk appetite. The Group's risk governance structure oversees the implementation and operation of the ERMF across the Group and primarily comprises the following committees:
    - Board Risk Committee;
    - Group Risk, Conduct and Governance Committee; and
    - Regional Risk, Conduct and Governance Committees in EMEA, Americas and Asia Pacific.

*First line of defence - Risk management within the business*

The first line of defence comprises the management of the business units and support functions. The first line of defence has primary responsibility for ensuring that the business operates within risk appetite on a day-to-day basis.

*Second line of defence - Risk oversight and challenge*

The second line of defence comprises the Compliance and Risk functions, which are separate from operational management.

The Compliance function is responsible for overseeing the Group's compliance with regulatory requirements in all the jurisdictions in which the Group operates.

The Risk function is responsible for overseeing and challenging the business, support and control functions in their identification, assessment and management of the risks to which they are exposed. The Risk function also assists the Board (and its various Committees) in discharging its overall risk oversight responsibilities.

*Third line of defence - Independent assurance*

Internal Audit provides independent assurance on the design and operational effectiveness of the Group's risk management framework.

## Liquidity Risk

Liquidity Risk is a potential scenario where the company may be unable to fund liabilities as they fall due because of a shortage of liquid assets, or an inability to obtain adequate funding.

## Concentration Risk

Concentration risk in relation to individual or highly connected private sector counterparties with whom firms have exposures above 25 % of their own funds. No counterparty exceeded this amount as at Financial Statement Date.

# Governance

**TP ICAP (Europe) SA adheres to the Group governance structure and has three committees at the legal entity level:**

I. **the Executive Committee;**

II. **the Risk Conduct & Governance Committee; and**

III. **the Board of directors.**

## Directorships

The number of Directorships held by members of the management body are as follows

| Name of Director | Number of Directorships |
|---|---|
| Arnaud Poix (CEO) | 1 |
| Gregory Strypsteen (COO) | 1 |

## Diversity

TPIE is subject to the Group's Diversity Policy. In addition, key information is gathered and reported in accordance with the applicable decree of 8 January 2019 on the Gender Pay Gap. The most recent disclosure was on figures for 2022 report. This shows:

- the gender pay difference,
- the rate of individual promotions rates and salary increases between men and women, including where a female employee returns from maternity leave
- the number of under-represented genders among the ten highest paid employees.

TPIE intends to continue its efforts and commitment to gender equality, including wages, to achieve a higher score in the future.

TP ICAP recognises that its long term success depends on recruiting the best talent irrespective of gender, marriage or civil partnership, pregnancy, or maternity/paternity/shared parental leave, race (including ethnic or national origin, nationality or colour), disability, sexual orientation, age, religion or philosophical beliefs, as well as the lack of religion or belief, or Trade Union membership. We are committed to eliminating discrimination and encouraging diversity amongst our current workforce and candidates.

TP ICAP values and embraces the diversity of thoughts, background and experience. As a global organisation, we understand the importance of sharing experiences and perspectives and are committed to creating an inclusive environment in which all employees can fulfil their maximum potential.

Internal breach of our Diversity and Inclusion Policy may result in a disciplinary sanction being imposed, up to and including dismissal.

## Risk Committee

In addition to the committees mentioned in the Organisational Structure section, TPIE hosts a Continental European Risk Committee (Risk, Conduct & Governance Committee) every quarter. This is attended by senior management, including the TPIE CEO, TPIE COO, Head of Risk, Head of Compliance, Head of HR, Head of IT.

# Own Funds

**TP ICAP (Europe) SA is submitted to the Investment Firm Regulation since 26 June 2021. The company is qualified as Class 2 and consequently is required to calculate K-Factors.**

## Capital Adequacy Report

| TPIE - IFR Capital Adequacy Report | Dec-22 |
|---|---|
| | €'000 |
| **Common Equity Tier 1 Capital after deductions** | |
| Share Capital | 43,794 |
| Share premium | 5,266 |
| Previous years retained earnings | (23,451) |
| Profit or loss eligible | - |
| *Profit or loss attributable to owners of the parent* | - |
| *(-) Part of interim or year-end profit not eligible* | - |
| Other reserves | 22,672 |
| Total b/f | 48,281 |
| | |
| Deductions - Goodwill | (19,349) |
| Deductions - deferred tax asset | (333) |
| | 28,599 |

## Capital Requirements

| | |
|---|---|
| **Permanent Minimum Capital Requirement** | **750** |
| | |
| Risk to Client | |
| Risk to Market | 601 |
| Risk to Firm | 3,841 |
| **K - Factor Requirements** | **4,442** |
| | |
| **Fixed Overheads Requirement** | **20,387** |
| | |
| **Pillar1 Capital Requirement** | **20,387** |

The total capital ratio is consequently 140.3% as of December 2022.

# Composition of regulatory own funds

## Template EU IF CC1.01 - Composition of regulatory own funds (Investment firms other than small and non-interconnected )

| | | (a) | (b) |
|---|---|---|---|
| | | Amounts | Source based on reference numbers/letters of the balance |
| | Common Equity Tier 1 (CET1) capital: instruments and reserves | | |
| 1 | **OWN FUNDS** | 51,744,402 | Based on figures of the balance sheet in the audited financial statements |
| 2 | **TIER 1 CAPITAL** | 51,744,402 | Based on figures of the balance sheet in the audited financial statements |
| 3 | **COMMON EQUITY TIER 1 CAPITAL** | 51,744,402 | Based on figures of the balance sheet in the audited financial statements |
| 4 | Fully paid up capital instruments | 43,793,576 | Issued share capital as per the audited financial statements period ending 31st December 2022 |
| 5 | Share premium | 5,265,872 | Share premium as per the audited financial statements period ending 31st December 2022 |
| 6 | Retained earnings | - 260,832 | Retained Profit & Current year loss as per the audited financial statements period ending 31st December 2022 |
| 7 | Accumulated other comprehensive income | | |
| 8 | Other reserves | 22,672,319 | Other reserves & Merger reserve within the audited financial statements period ending 31st December 2022 |
| 9 | Minority interest given recognition in CET1 capital | | |
| 10 | Adjustments to CET1 due to prudential filters | | |
| 11 | Other funds | | |
| 12 | (-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1 | - 19,726,532 | |
| 13 | (-) Own CET1 instruments | | |
| 14 | (-) Direct holdings of CET1 instruments | | |
| 15 | (-) Indirect holdings of CET1 instruments | | |
| 16 | (-) Synthetic holdings of CET1 instruments | | |
| 17 | (-) Losses for the current financial year | | |
| 18 | (-) Goodwill | - 19,349,021 | Goodwill as per the audited financial statements period ending 31st December 2022 |
| 19 | (-) Other intangible assets | | |
| 20 | (-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities | - 377,511 | DKK branch only. French reporting does not allow for DTA. |
| 21 | (-) Qualifying holding outside the financial sector which exceeds 15% of own funds | | |
| 22 | (-) Total qualifying holdings in undertaking other than financial sector entities which exceeds 60% of its own funds | | |
| 23 | (-) CET1 instruments of financial sector entites where the institution does not have a significant investment | | |
| 24 | (-) CET1 instruments of financial sector entities where the institution has a significant investment | | |
| 25 | (-)Defined benefit pension fund assets | | |
| 26 | (-) Other deductions | | |
| 27 | CET1: Other capital elements, deductions and adjustments | | |
| 28 | **ADDITIONAL TIER 1 CAPITAL** | | |
| 29 | Fully paid up, directly issued capital instruments | | |
| 30 | Share premium | | |
| 31 | (-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1 | | |
| 32 | (-) Own AT1 instruments | | |
| 33 | (-) Direct holdings of AT1 instruments | | |
| 34 | (-) Indirect holdings of AT1 instruments | | |
| 35 | (-) Synthetic holdings of AT1 instruments | | |
| 36 | (-) AT1 instruments of financial sector entities where the institution does not have a significant investment | | |
| 37 | (-) AT1 instruments of financial sector entities where the institution has a significant investment | | |
| 38 | (-) Other deductions | | |
| 39 | Additional Tier 1: Other capital elements, deductions and adjustments | | |
| 40 | **TIER 2 CAPITAL** | | |
| 41 | Fully paid up, directly issued capital instruments | | |
| 42 | Share premium | | |
| 43 | (-) TOTAL DEDUCTIONS FROM TIER 2 | | |
| 44 | (-) Own T2 instruments | | |
| 45 | (-) Direct holdings of T2 instruments | | |
| 46 | (-) Indirect holdings of T2 instruments | | |
| 47 | (-) Synthetic holdings of T2 instruments | | |
| 48 | (-) T2 instruments of financial sector entities where the institution does not have a significant investment | | |
| 49 | (-) T2 instruments of financial sector entities where the institution has a significant investment | | |
| 50 | Tier 2: Other capital elements, deductions and adjustments | | |

# Reconciliation of regulatory own funds

Template EU IFCC2: Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements

| | | a | b | c |
|---|---|---|---|---|
| | | **Balance sheet as in published/audited financial** | **Under regulatory scope of consolidation** | **Cross reference to EU IF CC1** |
| | | **As at period end** | **As at period end** | |
| **Assets** - *Breakdown by asset classes according to the balance sheet in the published/audited financial statements* | | | | |
| 1 | Petty cash, central bank and CCP | 3,966 | | |
| 2 | Amoutns due from banks and similar | 34,926,969 | | |
| 3 | Amounts due from clients | 45,253,604 | | |
| 4 | Intangible assets | 19,349,021 | | |
| 5 | Tangible assets | 3,628,476 | | |
| 6 | Other assets | 9,704,255 | | |
| 7 | Prepayments and accrued income | 3,999,224 | | |
| | **Total Assets** | 116,865,514 | 0 | |
| **Liabilities** - *Breakdown by liability classes according to the balance sheet in the published/auditied financial statements* | | | | |
| 1 | Amounts due to banks and similar | 65,370 | | |
| 2 | Amounts due to clients | 1,425,138 | | |
| 3 | Other liabilities | 34,458,688 | | |
| 4 | Accruals and deferred income | 8,141,390 | | |
| 5 | Provisions | 1,303,994 | | |
| | **Total Liabilities** | 45,394,580 | 0 | |
| **Shareholders' Equity** | | | | |
| 1 | Fully paid up capital instruments | 43,793,576 | 43,793,576 | |
| 2 | Share premium | 5,265,872 | 15,498,321 | |
| 3 | Retained earnings | -260,832 | -22,476,917 | |
| 4 | Other reserves | 22,672,319 | 11,633,147 | |
| | **Total Shareholders' equity** | 71,470,935 | 48,448,127 | |

# Own instruments issued by the firm

Template EU IF CCA: Own funds: main features of own instruments issued by the firm

This template is empty as the firm has not issue any instruments.

# Remuneration

The following disclosures explain how TP ICAP (Europe) SA, complies with the remuneration related principles under the IFD/IFR and the European Banking Authority's Guidelines on Sound Remuneration Policies under Directive (EU) 2019/2034.

## Remuneration Policy and Practices

### Group Remuneration Policy for all Staff

The Group Remuneration Policy which has been adopted by TP ICAP (Europe) SA is designed to support the delivery of the company's business objectives and to promote the long-term success of the Group as a whole.

The Policy provides a framework in which employees are rewarded taking into account both financial and non-financial performance. Our remuneration strategy reflects the global marketplace in which we operate, helping us to attract, motivate, reward and retain the talented individuals we need to maintain the Group's success. The Policy aims to foster a sustainable business culture that encourages employees to perform their roles and to serve clients in the best possible way, while behaving in a manner that puts integrity at the heart of the business. It has been developed in line with the following principles:

- To align with the Group's financial performance: The annual bonus pool for support staff is calculated each year based on the Group's overall financial performance, primarily based on profitability and revenues. The bonus pool is calibrated to ensure that the total spend on remuneration does not undermine the Group's capital base.
- To deliver a compelling remuneration package: We seek to attract and retain high-performing and motivated employees and to reward them with a competitive reward package, which is reviewed annually by reference to internal peers and external benchmarks.
- To be gender neutral: The Group Remuneration Policy is based on the principle of equal pay for male and female workers for equal work or work of equal value.
- Rewarding positive behaviours in line with our values: We reward behaviours that create sustainable results in line with our core Triple A Values of Authenticity, Accountability and Adaptability. Our remuneration approach does not encourage excessive risk taking and is aligned to our risk and conduct management framework.
- To improve the alignment between employees and shareholders: A proportion of variable remuneration over certain thresholds is delivered in the form of deferred share awards or share-linked awards.

### Fixed Remuneration

All employees receive a salary that reflects a market competitive rate of pay, taking account the employee's role and responsibilities, skills and experience and ongoing contribution to the

Company. Fixed pay also includes allowances and appropriate company funded benefits to help recruit and retain talent, whilst reflecting local market practice and to support employee health and wellbeing.

### Variable Remuneration

Variable pay is principally comprised of the annual discretionary bonus award for support staff and other discretionary bonus schemes for brokers which aim to motivate employees to achieve the Company's financial objectives aligned with the Company and Group strategy. Non-financial criteria, primarily based on individual conduct and behaviours, including adherence to the Group's risk management policies and practices and TP ICAP's core values, are also assessed as part of the performance management process.

All variable remuneration awards, including non-standard forms of variable remuneration such as guaranteed variable remuneration, are subject to the Group Malus and Clawback Policy, subject to compliance with applicable local laws. This allows for the reduction or forfeiture of remuneration, prior to or after payment, subject to certain trigger events. All variable pay awards may be reduced (including down to nil) in certain circumstances.

Guaranteed bonuses for new hires in respect of their first year of service will only be offered in exceptional circumstances and will require approval before awards are made to Identified Staff from the Group CFO, and the EMEA Remuneration Committee.

Severance payments are payable in accordance with relevant local legislation and any applicable collective agreements. Severance payments relating to early termination of employment must reflect the individual's performance over time and should not reward for failure or misconduct. Severance pay will not be awarded where an individual resigns voluntarily in order to take up a position in a different company or legal entity, unless a severance payment is required by national labour law.

### Link Between Variable Remuneration and Performance

There are a number of different incentive schemes in operation across the Group for the Brokers, non-Brokers and Senior Management.

Annual Discretionary Bonus: The annual discretionary bonus scheme rewards non-broking employees for increasing the TP ICAP Group profits, managing the cost base, and employing sound risk and business management. Non-Broking staff participate in this bonus scheme. All employees who are employed as at the date of bonus payment are eligible to participate. A proportion of the bonus award may be subject to deferral under the TP ICAP Group plc Deferred Share Bonus Plan for a period of three years, with pro-rate vesting on the anniversary of each grant.

Broker Compensation: Arrangements for brokers are based on the principle that remuneration is directly linked to financial performance, generally at a desk/team level, and is calculated in accordance with formulae set out in contracts of employment/service agreements. These calculations are overlaid with an assessment of individual performance and conduct against the Group's Triple A values. A proportion of broker bonus awards may also be subject to deferral under the TP ICAP Group plc Global Equity Linked and Cash Deferral Plan.

In addition to the above incentive schemes, the Group also operates a Special Equity Award Plan, which is used in exceptional circumstances to reward outstanding one-off contributions, to recognise high performers or for the purposes of retaining key talent.

## Remuneration Governance

The Group has established the EMEA Remuneration Committee ('EMEA RemCo') which is made up of independent Non-Executive Directors who are responsible for supporting the Group Remuneration Committee in discharging its responsibilities on remuneration for its regulated entities, including TPIE. On behalf of the EMEA Board, the EMEA RemCo is responsible for maintaining formal and transparent policies on remuneration that are aligned to the Group's long-term strategic goals, culture and have regard to the risk appetite of the Group.

The EMEA RemCo is responsible for reviewing the application of the remuneration policies for the EMEA Senior Management Team, brokers, employees engaged in Control Functions, and all Material Risk Takers/Identified Staff in compliance with the FCA's MIFIDPRU Remuneration Code as well as the EBA's Guidelines on Sound Remuneration Policies under Directive (EU) 2019/2034 in relation to TPIE.

### Risk Adjusted Reward

A key feature of TP ICAP's remuneration philosophy is the alignment of remuneration with risk appetite and with the conduct expectations of the Group and other stakeholders. The annual bonus pool for support staff is calculated each year based on the Group's overall financial performance. The bonus pool is based primarily on profitability and revenue. TP ICAP ensures that when calculating and allocating variable remuneration pools, it takes into account all types of current and future risk and the costs of the capital and liquidity so as not to undermine the Group's sound capital base.

Conduct and behaviour is managed across the firm under the Group Conduct Management and Governance Framework and TP ICAP has a robust process for considering risk and conduct as part of the individual performance management process, with outcomes reflected in individual remuneration decisions. Regional and Group Conduct Oversight Committees, attended by Heads of HR and Control Functions, will assess individual conduct and disciplinary cases and make decisions in relation to consequence management and compensation adjustments, where appropriate. The outcomes of the Oversight Committee proceedings are presented to the EMEA RemCo at the year-end for review and approval.

## Policy on the identification of risk taking staff known as Identified Staff/Material Risk Takers (MRTs)

TPIE conforms to the EBA's Regulatory Technical Standards, which set out the qualitative and quantitative criteria to be used when identifying staff whose professional activities may have a material impact on TPIE's risk profile. Identified Staff for TPIE include the following types of staff:

- Executive and Non-Executive Directors of the EMEA Group Board;
- Members of the TPIE Board
- Members of senior management across TPIE and the Group;
- Heads of regulated business units, where applicable;
- Heads of control and support functions (including Compliance, Finance, Risk and Legal), as well as those responsible for managing IT and operations;
- Staff who are responsible for managing a material risk within the regulated businesses; and,
- Other employees who the Group deems may have a material impact on the firm's risk profile through their professional activities, including individuals responsible for a high proportion of revenue and/or select heads of broking desks, as well as those individuals whose remuneration.

The Group's framework to determine its Identified Staff has been reviewed by the TPIE Senior Risk Officer. The framework for identification and the Identified Staff List is reviewed and approved by the EMEA and the Group Remuneration Committee periodically.

## Remuneration arrangements for MRTs/Identified Staff

The national regulator in France, in line with the provisions in Article 32(5) of the IFD, has increased the balance sheet threshold that determines whether an investment firm is significant from EUR 100 million to EUR 300 million. As TP ICAP (Europe) SA does not meet this higher threshold, it is considered by the French regulator to be a non-significant class 2 investment firm under the IFD. TPIE is consequently exempted from the application of articles L533-30-11; L533-30-12 and L533-30-14 of the COMOFI (Code Monétaire et Financier) which reflect the remuneration provisions for Identified Staff under the IFD on deferral, payment in instruments and retained instruments.

TPIE does, however, apply deferral arrangements in certain circumstances under the Group Remuneration Policy as explained above. These require staff who earn above specific thresholds, which may include Identified Staff, to defer a portion of their bonus award over three years into group shares or share-linked instruments.

### Ratio between fixed and variable remuneration

The Group Remuneration Policy requires that the fixed and variable components of total variable remuneration are appropriately balanced and that the fixed component of total remuneration should represent a sufficiently high proportion of total pay to enable the Group to operate a fully flexible policy on variable remuneration, including the possibility of paying no variable remuneration component.

In line with Article 30(2) of the IFD, TPIE has set a ratio between the variable and fixed components of remuneration for Identified Staff. Taking into account the business activities of the investment firm and associated risks, and the highest amount of variable pay that could be awarded for the most positive performance outcomes in any year, the EMEA RemCo approved the following ratios for MRTs/Identified Staff of TPIE: For revenue generating roles a ratio of 80:1 and for control function roles a ratio of 20:1.

## Quantitative remuneration disclosures

The quantitative remuneration disclosures for TPIE for the year to 31 December 2022, as required by Article 51 (c) of the IFR are set out in the tables below.

Table 1. The amounts of remuneration awarded in the financial year, split into fixed remuneration, and variable remuneration, and the number of beneficiaries

| Senior management MRTs | Value EUR | No. of recipients |
|---|---|---|
| Fixed remuneration | 1,237,673 | 5 |
| Variable remuneration | 1,466,708 | 5 |
| Other MRTs* | Value EUR | No. of recipients |
| Fixed remuneration | 11,540,999 | 50 |
| Variable remuneration | 40,375,287 | 48 |

**Other MRTs include Group MRTs identified under the qualitative criteria*

Table 2. The amounts and forms of awarded variable remuneration, split into cash, shares, share-linked instruments and other types separately for the part paid upfront and for the deferred part

| Senior management MRTs | Value EUR |
|---|---|
| Variable remuneration (cash) | 893,383 |
| Variable remuneration (shares or share-linked instruments) | 573,325 |
| Other MRTs* | Value EUR |
| Variable remuneration (cash) | 32,374,358 |
| Variable remuneration (shares or share-linked instruments) | 8,010,049 |

**Other MRTs include Group MRTs identified under the qualitative criteria*

Table 3. The amounts of deferred remuneration awarded for previous performance periods, split into the amount due to vest in the financial year and the amount due to vest in subsequent years

| Senior management MRTs | Due to vest in 2022 | Due to vest in future years |
|---|---|---|
| Deferred remuneration awarded in previous years | 0 | 51,941 |
| Other MRTs * | Due to vest in 2022 | Due to vest in future years |
| Deferred remuneration awarded in previous years | 143,011 | 20,084,930 |

*Other MRTs include Group MRTs identified under the qualitative criteria*

Table 4. The amount of deferred remuneration due to vest in the financial year that is paid out during the financial year, and that is reduced through performance adjustments

| Senior management MRTs | Value EUR |
|---|---|
| Deferred remuneration reduced through performance adjustments | 0 |
| Other MRTs* | Value EUR |
| Deferred remuneration reduced through performance adjustments | 0 |

*Other MRTs include Group MRTs identified under the qualitative criteria*

Table 5. The guaranteed variable remuneration awards during the financial year and the number of beneficiaries of those awards

| Senior management MRTs* | Value EUR | No. of recipients |
|---|---|---|
| Guaranteed variable remuneration | 0 | 0 |
| Other MRTs | Value EUR | No. of recipients |
| Guaranteed variable remuneration | 0 | 0 |

*Other MRTs include Group MRTs identified under the qualitative criteria*

Table 6. The severance payments awarded in previous periods, that have been paid out during the financial year

| Senior management MRTs | Value EUR | No. of recipients |
|---|---|---|
| Severance payments awarded in previous periods | 0 | 0 |
| Other MRTs* | Value EUR | No. of recipients |
| Severance payments awarded in previous periods | 0 | 0 |

**Other MRTs include Group MRTs identified under the qualitative criteria*

Table 7. The amounts of severance payments awarded during the financial year, split into paid upfront and deferred, the number of beneficiaries of those payments

| Senior management MRTs | Value EUR | No. of recipients |
|---|---|---|
| Severance payments awarded during the year (upfront) | Not disclosed* | 1 |
| Severance payments awarded during the year (deferred) | Not disclosed* | 1 |
| Other MRTs** | Value EUR | No. of recipients |
| Severance payments awarded during the year (upfront) | 0 | 0 |
| Severance payments awarded during the year (deferred) | 0 | 0 |

***Severance pay was awarded to a member of senior management during 2022. In light of severance being paid only to one individual, we have not disclosed the amount.*

For 2022, TPIE benefited from the derogation laid under Article 32(4)(a) of IFD to disapply the pay-out process requirements for its Identified Staff, including the deferral of variable remuneration and the payment of variable pay into shares/instruments with a retention period..

# Environment, Sustainability & Governance

**TP ICAP (Europe) SA do not meet the criteria referred to in Article 32(4) of Directive (EU) 2019/2034. TPIE is consequently exempted of environmental, social and governance risks, including physical transition risks, disclosures.**

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# Contact Us

For further information, please visit us at: **tpicap.com** or contact us directly via email: info@tpicap.com