



## **Moneycorp Technologies Limited ("MTL") 2024 IFR Public Disclosures**

**17 November 2025**

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## **1. Introduction and Background**

MTL is authorised and regulated by the Central Bank of Ireland ("CBI") as an E-Money Institution (EMI) under the European Communities Electronic Regulations 2011 and as an Investment Firm under the European Union (EU) Market in Financial Instruments (MiFID) Regulations 2017.

Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 on prudential requirements for investment firms, otherwise known as the Investment Firm Regulations ("IFR"), Part Six, Disclosure by Investment Firms, Articles 46-53 sets out specific annual public disclosure obligations.

This document sets out the 2024 MTL public disclosure information as required by the IFR.

### **1.2 Regulatory Framework**

The activities of investment firms are governed at EU-level by the Markets in Financial Instruments Directive. In addition, EU investment firms are also subject to prudential rules, the IFR-IFD prudential framework which aims to ensure that investment firms have sufficient resources to cover potential losses from their activities. It is designed to reflect the nature, size, and complexity of investment firms' activities and to reduce the risk of the failure of those firms and the risk of undue economic harm to their customers or disruption in markets they operate in.

For the purposes of the IFR-IFD prudential framework, MTL is considered a "Class 2" Investment Firm.

### **1.3 Scope, Frequency, and Location of Disclosures**

MTL's MiFID regulatory authorisation brings it within scope of the IFD-IFR obligations. MTL reports these disclosures at a legal entity level inclusive of the Ireland head office and EU branches in Spain, Romania, and France.

The disclosures have been prepared as of 31 December 2024, MTL's financial reporting year end, and are prepared solely for the purpose of fulfilling the Firm's IFD-IFR disclosure requirements. They have not been audited, nor do they constitute any form of audited financial statement.

The disclosures are prepared annually and published on the MTL website at:

[Regulatory Information | moneycorp](#)

## **2. Risk Management Objectives and Policies**

### **2.1 Risk Management Framework**

MTL's Risk Management Framework ("RMF") seeks to ensure that there is an effective process in place to manage risks. Risk management is integral to all aspects of MTL's activities and is the responsibility of all staff. The Executive Committee ("ExCo") has a particular responsibility to evaluate the risk environment, put in place appropriate controls and to monitor the effectiveness of those controls as well as instil culture which emphasises careful analysis and management of risk in all business processes.

Risks are identified, assessed, and managed at both an enterprise level ('top-down') and business level ('bottom-up'). The Board's Risk & Compliance Committee, which is chaired by an

independent non-executive Director, has oversight of these processes. This Committee meets quarterly and reports on its activities to the Board.

## **2.2 Objectives, Policies and Strategies**

The RMF includes policies and procedures, risk limits and controls and uses forward-looking and backward-looking tools and trends analysis to ensure adequate and timely assessment, monitoring, management, mitigation and reporting of risk under normal and stressed conditions and to assess the economic substance of the Firm's risk profile, including the risks to the Firm, the Firm's customers and the market, and whether the risk profile is consistent with risk appetite and consistent with the sound operation of the Firm, including in respect of liquidity and capital and its strategic goals.

The MTL Board owns the Risk Appetite Statement (RAS) and assisted by the Head of Risk and Compliance ("HORC"), leads the development of the RAS in consultation with the Chief Executive Officer (CEO), Chief Operating Officer (COO) and Head of Finance (HoF), and other key business leaders and stakeholders to ensure that the determinations presented accurately describe the toleration levels of residual risk that MTL is prepared to accept in the delivery of its business objectives.

Once approved by the Board, the RAS is communicated to relevant stakeholders, via the MTL Executive Team. The RAS is published internally to staff so that they can understand the Firm's appetite towards risk and can apply it in their business activities, actions, and behaviours. As part of this process, risk limits are set which are consistent with RAS and which are used for day-to-day risk management.

Risk appetite is formally reviewed, refreshed, and adjusted, at least annually or immediately following - or in anticipation of - an issue, event or opportunity that has the potential to impact significantly on MTL either directly or indirectly. Any change to risk appetite is recorded and reflected in the RAS. Detail of changes to risk appetite will be communicated, as is appropriate, to the Executive Team and stakeholders.

## **2.3 Risk Governance**

The RMF is the responsibility of the MTL Board. The Board's Risk and Compliance sub-Committee was established to monitor risk and compliance governance and to assist the MTL Board in discharging its responsibilities in ensuring that risks are properly identified, reported, and assessed; that risks are properly controlled; and that strategy is informed by and aligned with the Firm's risk appetite. The Committee also oversees the Firm's implementation of compliance programs, policies and procedures required to meet legal, compliance and regulatory requirements.

MTL has a dedicated Head of Risk ("HoR"), a CBI approved PCF 14 role, and second line Risk Management Function ("RF"). The RF is aligned to the Moneycorp Group RMF and strategy and leverages the Group RMF including group support.

The HoR is a member of the MTL Executive Management Team and is responsible for the implementation and operationalisations of the MTL RMF within the MTL legal entity inclusive of the EU branches.

The HoR reports directly to the MTL CEO and has primary obligations and reporting lines to the MTL Risk & Compliance Committee and Board. The HoR formally reports quarterly to the Risk & Compliance Committee and Board. Quarterly reporting includes Key Risk Indicator ("KRI") reporting including notification of changes to KRI metrics.

## **2.4 Structure, Roles and Responsibilities**

MTL follows three lines of defence model.

The first line of defence owns and manage the risks and ensure an adequate internal control environment. The second line sets the framework for how the risk should be identified, monitored and managed, the tools, provides guidance and training as well as exercising review and challenge of the business. The third line provide, independent, assurance that the assessment of this RAS and policies are being followed across MTL. This is critical to the ongoing monitoring and evaluation of the design and overall effectiveness of MTL's internal controls, risk management and risk governance.

The Board approves the RAF and the RAS, which is developed by Head of Risk in collaboration with the ExCo and translated into thresholds within MTL to enhance the decision-making process.

The Board holds the CEO and other ExCo members accountable for the integrity of the RAF, including the timely identification, management, and escalation of breaches in risk limits and of material risk exposures and includes an assessment of risk appetite in their strategic discussions including, for example growth in business lines or products.

The Board regularly reviews and monitors the actual risk profile and risk limits against the agreed levels, including qualitative measures of risk conduct and discusses and monitors that appropriate actions are taken regarding breaches in risk limits.

The Board discusses and monitors to ensure appropriate action is taken regarding breaches in risk limits, ensures adequate resources and expertise are dedicated to risk management in order to provide assurance to the Board and ExCo that they are operating within the approved RAF and ensure that risk management is supported by adequate and robust IT and MIS to enable identification, measurement, assessment and reporting of risk in a timely and accurate manner.

The CEO establishes an appropriate risk appetite for MTL in collaboration with the HoR which is consistent with the MTL's short- and long-term strategy, business and capital plans and ensure, in conjunction with the HoR, that the risk appetite is appropriately translated into risk limits for business lines and that business lines incorporate risk appetite into their strategic and financial planning, and decision-making processes.

The CEO sets the tone and example by empowering and supporting the Head of Risk in their responsibilities and effectively incorporating risk appetite into their decision-making processes.

The HoR obtains the Risk & Compliance Committee and Board approvals of the developed risk appetite and periodically reports MTL's risk profile related to risk appetite and escalate promptly to them and the CEO any material risk limit breaches that places MTL at risk of exceeding its risk appetite, and especially, of putting in danger the financial condition of MTL.

The 1<sup>st</sup> LoD is accountable for effective management of the risk and internal controls within their business unit and ensures alignment between the approved risk appetite and planning, and decision-making processes of the business unit. In addition, they actively monitor the adherence to the approved risk thresholds.

The Internal Audit Function (Outsourced to Grant Thornton Ireland) evaluates the effectiveness and adequacy of the internal controls and implementation of the RAS and reports to the Audit Committee the overall status of the recommendations. The Internal Audit Function follows up the implementation of the recommendations and reports to the Audit Committee the status of the recommendations.

The Risk & Compliance Committee has the responsibility to review the risk appetite and challenge HoR and assess, quantify, evaluate and mitigate the thresholds involved in the day-to-day functioning of MTL when exceed the risk appetite.

## **2.5 Key Risks**

Risk exposure arises for MTL predominantly from the provision of FX Forward and Options derivatives under its MiFID licence, and international payments offering under its EMI licence.

## **2.6 Credit Risk**

Credit risk is defined as unexpected losses arising from clients and counterparties failing to meet their obligations as they fall due. Credit risk may arise on open positions as a consequence of client default.

MTL has a conservative risk appetite for credit risk including concentration risks. MTL credit approval process and thresholds provide significant assurance that MTL's exposure is limited and subject to close management scrutiny.

MTL applies a strict set of criteria to credit extension and exposure which is governed by a Credit Policy. This includes limits on the notional amounts; the maximum period the clients can enter a forward position (max tenor) as well as the maximum risk tolerance or out-of-the-money position linked to that client's credit facility.

## **2.7 Credit Concentration Risk**

Concentration risk is defined as any single exposure or group of exposures with the potential to produce losses large enough to threaten the firm's health or ability to maintain its core operations. The Company has a geographically diverse client base across the EU and is not overly exposed to one client (greater than 5% of annual revenue). In addition, the Company is not overly dependent on one product type, offering a wide range of foreign exchange solutions.

MTL has a conservative risk appetite for concentration risk.

## **2.8 Market Risk**

### **2.8.1.1 Foreign Exchange Risk**

MTL's business activities primarily involve the provision of derivative and non-derivative contracts, specifically foreign currency forwards and foreign currency options, to clients and entering back-to-back arrangements with a related party. As such, the back-to-back nature of the transactions eliminates currency risk for MTL on the product suite. The firm may be subject to a immaterial amount of FX risk on unrealised trading profits held in foreign currencies

MTL maintains bank balances in various currencies and is therefore exposed to movements in foreign exchange rates on these balances. These are monitored and managed on an ongoing basis.

MTL has a conservative risk appetite for foreign exchange risk.

### **2.8.1.2 Liquidity Risk**

MTL is risk averse with respect to liquidity risk which is defined as the risk that it will operate outside regulatory requirements for liquidity in accordance with the Investment Firms Directive (IFD) or will be, or likely to be, unable to meet its day to day working capital obligations as they fall due.

The settlement of derivative financial instrument contracts and other short-term working capital requirements necessitates adequate liquidity which is generated through intra-day settlement and liquidity facilities. These facilities are provided by a range of financial institutions with which the Moneycorp Group has a long trading history.

## **2.9 Operational Risk**

Operational risk includes the risk arising from inadequate or failed internal processes, inadequately designed, or maintained systems, inappropriate staff levels or inadequately skilled or managed people. Operational risk exposures are identified, managed and controlled by management at all levels. Internal controls include the organisational structures and delegation of authority within MTL. Systems are designed to manage and, as far as possible, eliminate the risk of failure to achieve business objectives.

MTL leverages the Moneycorp Group's systems and infrastructure, whose operational budgets include appropriate investment levels to ensure that critical systems and processes are maintained, client data is protected, and staff are properly trained and developed.

### **2.9.1.1 Fraud Risk**

MTL is risk averse for any dishonest or fraudulent behaviour perpetrated by its staff or external parties. It takes a very serious approach to cases, or suspected cases of internal fraud or corruption perpetrated by its employees and responds fully and fairly in accordance with provisions of the Group Code of Conduct. MTL has also a conservative appetite for Operational Fraud (external). This includes e-mail, payment, internet or other forms of external based fraud. MTL implements current industry base technologies and controls to mitigate potential fraud attempts.

#### **2.9.1.2 Outsourcing Risk**

MTL has conservative appetite for outsourcing risk. MTL will only consider outsourcing where the benefits of outsourcing, including cost and access to skills, expertise and resources which would not otherwise be available significantly outweigh the related risks.

Due to being part of a wider Group, MTL outsources majority of core business activities intra-group with oversight from the Head Office in Ireland. MTL additionally has a small number of sub-outsourced supplier relationships via the Group.

The main risk is inability to operate critical business services due to third parties' failure to provide the services agreed. Other risks link to insufficient oversight, reputational damage, and regulatory risk.

#### **2.9.1.3 People and Employment practices Risk**

People and employment practices is a component of operational risk and incorporates the risk that MTL's procedures do not comply with local legislation, such as equal opportunities, human rights or health and safety.

MTL relies on motivated, diverse, and high-quality staff to perform its functions. It aims to create an environment where staff are empowered to the full extent of their abilities. To achieve this, MTL invests appropriately to retain existing employees (developing employees with additional skills and training) and to attract new employees to the business.

MTL has written policies and procedures in place, ensuring staff across the business are aware of the standards expected of them. The appetite for behaviours which do not meet these standards is conservative/averse and MTL takes any breaches of these standards very seriously.

MTL has no appetite for practices that breach any local legislation or regulation, and it is committed to creating a safe working environment for all its staff.

#### **Conduct Risk**

MTL has conduct risk policies and risk indicators in place implementing culture where client should be always protected. Activities such as mis-selling of products and services, fraudulent actions, unjustified fees, poor product/service performance and any form of market manipulation are forbidden.

The consequences of not complying with a robust conduct risk regime can lead to serious consequences including fines, penalties or closure, hence MTL has no appetite for any practices that could be deemed to lead to increased conduct risk.

#### **2.9.1.4 Information Security Risk**

Information security risk is the risk of an event or incident occurring which result in MTL's information being accidentally or maliciously lost, stolen, copied, altered or otherwise compromised with adverse legal, regulatory, financial, reputational and / or other consequences for the business.

Information security and data privacy risks are significant concerns for MTL. They include the risk of malicious attack on its systems, network disruption and risks relating to data security, integrity, privacy and misuse. The threat and criminal capability in this area continues to evolve globally in sophistication and significance which heightens the risks to the MTL. Developments in data protection legislation also increase the financial and reputational implications for MTL in the event of a breach of its (or third-party suppliers') IT systems.

In view of this, MTL and wider Moneycorp Group has preventative risk management procedures in place and robust critical recovery systems in the event of a successful attack on its infrastructure, a breach of its information security or a failure of its systems.

MTL is risk averse for any practices that could be deemed to breach information security policies and procedures.

#### **2.9.1.5 Business Continuity Risk**

MTL understands the significance and consequences of not having robust business continuity plans and procedures in place. In view of this, business continuity plan is available and revised / tested on a regular basis. All significant business disruptions are investigated and escalated (if required) for further review by Executive Management and the Risk & Compliance Committee.

MTL is risk averse to risk events that can disrupt business operations.

#### **2.9.1.6 Regulatory Risk**

MTL is averse to regulatory risk. It has a solid governance framework, policies, procedures, systems, and support schemes in place to mitigate the likelihood and impact of regulatory risk.

#### **2.9.1.7 Regulatory Capital Risk**

As a licenced EMI and MiFID investment firm MTL is required to always maintain regulatory capital in compliance with the requirements of the Investment Firms Directive (IFD) and E-Money Regulations (EMR's). Regulatory capital risk is the risk that MTL will be in breach of its' minimum capital requirements either on an individual basis or on a combined basis over both licences. MTL has an adverse risk appetite for Capital risk as MTL would be unable to continue to provide regulated Financial Services should it be in breach of its' capital requirements.

#### **2.9.1.8 Financial Crime**

MTL is dedicated to preventing financial crime and ensuring that its products are not misused for the purpose of money laundering, terrorism financing or any other fraud event. It also ensures that sanctioned individuals or entities are not able to use its services and monitored permanently.

Consequently, MTL adheres to all applicable laws and regulations regarding Anti-Money Laundering, Sanctions, Tax Evasion, and Anti-Bribery & Corruption. MTL will, by default, refuse to knowingly engage in any kind of business that is not consistent with this approach.

MTL has overall no appetite for breaching financial crime regulations.

#### **2.9.1.9 Regulatory and Compliance Risk**

MTL must abide by regulations set by different governing bodies across its global operations. Not complying with regulation changes can lead to serious consequences including fines, penalties, loss of licence or liquidation.

MTL is committed to a high level of compliance with relevant legislation, regulation, industry codes and standards as well as internal policies and sound corporate governance principles. MTL aims to implement system requirements stemming from new legislation or regulations at the earliest opportunity, within a timely, controlled, and measured approach, minimising the potential impact of breaches in regulations.

MTL has no appetite for breaching regulatory requirements.

#### **2.9.1.10 Legal Risk**

Legal risk is inherent in all activities and decisions. Legal risk encompasses factors such as policy decisions, employee conduct, human resource practices, contractual obligations, and regulation interpretation.

MTL has low risk appetite for non-compliance with applicable laws and regulations.

#### **2.9.1.11 Reputational Risk**

MTL has a governance framework, policies, procedures, systems, and support schemes to reduce the likelihood and impact of reputational risk.

Reputation risk is inherent in all its activities and encompasses factors such as employee conduct; human resource practices; legal, and policy decisions; fiscal responsibility; and information security. The assessment of reputation risk considers the company culture, incidents escalation, planning and response, and communication strategies in case of crisis.

#### **2.9.1.12 Business/Strategic**

Strategic risk is a function of business decisions, the execution of those decisions, and resources deployed to achieve MTL's strategies. It also includes responsiveness to changes in the internal and external operating environments. Proper management of strategic risk is critical to ensure the ability to operate effectively.

MTL has a low-risk appetite for strategic risk and the threats to the delivery of strategic initiatives.

### **3. Governance**

#### **3.1 Governance Framework**

MTL's governance framework is built upon three lines of defence model that aims to ensure that accountability for the management of risk is owned and embedded in day-to-day management

of the business. This concept ensures that each line reports independently to the Board and relevant sub-Committees. The three lines of defence are as follows:

- The first line of defence includes the functions that adhere to policies, procedures and standards established by the MTL ExCo and Board and are responsible for management of the day-to-day business operations. Each business line owns the risks and controls for its respective business and retains full accountability for control of related business issues.
- The second line of defence is performed by the control functions including the Risk Management Function, managed by the Head of Risk and the Compliance Function, managed by the Head of Compliance.
- The third line of defence consists of Internal Audit, which includes the MTL Head of Internal Audit, and the MTL outsourced provider for Internal Audit activities. Internal Audit provides independent, objective assurance, advice and oversight activity and adds value by bringing a systematic, disciplined and objective approach to evaluate and improve the effectiveness of risk management, control and governance processes. By providing independent reasonable assurance, as well as consultancy services on the quality of these processes.

### **3.2 The Board of Directors**

The Board has overall responsibility for the Firm including ensuring that governance arrangements are in place to ensure effective and prudent management of the business.

The Board has responsibility for managing the Risk Management Framework and monitoring the Company's risk management policies and procedures, including the identification and management of each of the key risks that the Company faces. The Board is committed to ensuring that high standards of governance are in place to protect the interests of shareholders and stakeholders, and promotes the highest standards of integrity, transparency, and accountability.

At 31 December 2024 the Board was comprised of five directors, of which the majority were non-executive directors. It is the Board's responsibility to ensure that its size and compensation is of sufficient and has the appropriate expertise in place to oversee the Company's operations.

The Directors are appointed based on their skills, qualifications and experience whilst ensuring that they have appropriate time to devote to their responsibilities as a Board member in consideration of the commitments of other professional roles they may have.

### **Board composition on 31 December 2024**

Directorship Type	Director	
Independent Non-Executive Director	Ronan White	5
Independent Non-Executive Director	Charles J McCreevy	6
Non-Executive Director	Emma Alley	1
Executive Director	Eoin Walsh	1
Executive Director	Shauneeen Kay	1

\*Directorships within the same corporate group are counted as one

The MTL Board met 8 times during 2024.

### **3.3 Board sub-Committees**

The Board has established a Risk and Compliance Committee and an Audit Committee.

#### ***3.3.1 Risk & Compliance Committee***

The Risk & Compliance Committee (“RCC”) comprises three members, the majority are independent non-executive directors and non-executive directors, whom the Board believes have appropriate knowledge, skills, and expertise to understand and monitor risk strategy and risk appetite.

The RCC Chairperson is an independent non-executive director and cannot be the Chairperson of the MTL Board to avoid any conflicts of interest.

The RCC was established to monitor risk and compliance governance and to assist the MTL Board in discharging its responsibilities in ensuring that risks are properly identified, reported, and assessed; that risks are properly controlled; and that strategy is informed by and aligned with the Firm’s risk appetite. The Committee also oversees the Firm’s implementation of compliance programs, policies and procedures required to meet legal, compliance and regulatory requirements.

The RCC met 4 times during 2024.

#### ***3.3.2 Audit Committee***

The Audit Committee comprises three members including one independent non-executive director who is the Committee Chair. The MTL Board Chair and the MTL Chief Executive Officer are not permitted to be Audit Committee members. The Committee has an appropriate mix of skills and relevant financial experience. The Committee has at least one or more members who, the Board believes, have an appropriate qualification and recent and relevant financial experience, including competence in accounting and or auditing. The Audit Committee and Risk and Compliance Committees will at all times have at least one shared member.

The Audit Committee has specific responsibility to assist the Board in fulfilling its oversight responsibilities in respect of the Firm and its affairs relating to the statutory audit process and the Company's internal control processes. The Audit Committee has jurisdiction over the independence and performance of the statutory auditor. The Audit Committee also has overall responsibility for ensuring the MTL Internal Audit function and Head of Internal Audit discharges its responsibilities.

The Audit Committee met 4 times during 2024.

### **3.4 Diversity Policy**

MTL is an equal opportunity employer, committed to a diverse and inclusive workplace, and does not discriminate based on gender, sexual orientation, civil or family status, race, religion or belief, nationality, ethnic or national origin, membership of the Traveller Community, disability, age, pregnancy or trade union membership, or the fact that they are a part-time worker or a fixed-term employee.

The principle of non-discrimination and equality of opportunity applies equally to the treatment of visitors, clients, and suppliers by members of our workforce and, in some circumstances, ex-employees.

MTL Management have a specific responsibility to set an appropriate standard of behaviour, to lead by example and to ensure that those they manage adhere to the policy and promote the values and objectives of the Firm regarding equal opportunities.

MTL believes in the power of the individual. Our people are our most valued asset. MTL is committed to ensuring an inclusive working environment for all employees to thrive in. MTL believes that the individual differences, self-expression and unique capabilities that people have should be recognised and celebrated, not discriminated against.

## **4. Remuneration Policies and Procedures**

### **4.1 MTL's Remuneration Policy**

MTL's remuneration policy sets the framework for all remuneration related policies, procedures and practices for all employees and directors. MTL is committed to developing sound remuneration policies and effective risk management on variable remuneration for its identified staff. The remuneration policy takes into consideration the following:

- ❖ Directive 2019/34/EU on the prudential supervision of investment firms ('IFD').
- ❖ The European Union ('Capital Requirements') Regulations 2019 (S.I. No 355 of 2021) ('the 2019 Regulations') which transpose IFD into Irish law.
- ❖ Guidelines on sound remuneration policies under Directive (EU) 2019/2034 (the 'Guidelines').
- ❖ EBA Opinion on the application of the principle of proportionality to the remuneration provisions in Directive 2013/36/EU.
- ❖ ESMA Guidelines on Remuneration Policies and Practices (MiFID).
- ❖ ESMA Guidelines on certain aspects of the MiFID II remuneration requirements 3 April 2023
- ❖ Central Bank Guidelines on Variable Remuneration Arrangements for Sales Staff.

The remuneration policy applies to all staff and ensures, amongst other things, sound internal governance arrangements, including remuneration policies and practices that are consistent with and promote sound and effective risk management and ensures a customer focused culture. The remuneration policy promotes gender neutrality by aligning MTL's commitment to the provision of equal pay for male and female workers for equal work or work of equal value.

MTL ensures that policies and practices are appropriately implemented and aligned with the Firm's overall corporate governance framework, corporate and risk culture, risk appetite and the related governance processes.

#### **4.2 Fixed and Variable Remuneration**

MTL defines fixed and variable remuneration as:

- Fixed remuneration is permanent, pre-determined, non-discretionary, non-revocable and cannot be reduced, suspended, or cancelled by MTL without the agreement of the employee. Fixed remuneration should primarily reflect the level of professional experience, organisational responsibility, and seniority of employees. The fixed remuneration includes annual salary paid in 12 monthly equal instalments, employer pension contributions and private health care contributions.
- Variable remuneration is all remuneration which is not fixed and will include such things as:
  - annual bonus awards.
  - where eligible, participation in share incentive plans.

##### **4.2.1 Flexible Policy on Variable Remuneration**

MTL has a flexible policy on variable remuneration. The amount of variable remuneration awarded will appropriately react to changes of the performance of the employee and MTL. In addition, unethical or non-compliant behaviour will impact employee member's variable remuneration. When setting the fixed elements of Identified staff, MTL will take account of several factors:

- ❖ Degree of seniority.
- ❖ Level of expertise and skill.
- ❖ Experience.
- ❖ Relevant business activity.
- ❖ Market conditions in the relevant jurisdiction.

When setting total remuneration, remuneration in the previous year shall be considered. Corporate and individual performance will be examined when reviewing variable remuneration.

MTL has set appropriate ratios between the fixed and variable components of the total remuneration whereby the variable component shall not exceed 100% of the fixed component of the total remuneration for any identified material risk taker within the business. Exceptions to this cap must be notified to and approved by the MTL Board in advance of any award to an employee.

Variable remuneration comprised cash awards only, there are no share or deferrals awarded for 2024 performance year.

#### **4.2.2 Share Incentive Plans**

Certain key members of management may be eligible to participate in a Group B share scheme. Eligibility for such participation is subject to the Moneycorp Group Remuneration Committee.

#### **4.2.3 Deferred Remuneration**

MTL does not operate a deferral remuneration program. Consequently, there were no deferred remuneration awards vested in the 2024 performance year.

#### **4.2.4 Guaranteed Variable Remuneration**

MTL does not operate guaranteed variable remuneration programs. Consequently, there was no guaranteed remuneration award in the 2024 performance year.

#### **4.2.5 Severance Awards**

MTL made no severance payments in 2024.

#### **4.2.6 Derogations**

MTL did not avail of the derogation provided for in Article 32(4) of EU Directive 2019/2034.

### **4.3 Aggregate quantitative remuneration information for staff who have a material impact on the risk of the institution.**

For the year ended 31 December 2024, eight members of senior management and seven other employees were identified as having a material impact on the risk profile of the Firm.

	<b>Senior Management*</b> €	<b>Other Employees</b> €	<b>Total</b> €
Fixed remuneration	1,552,148.84	846,980.97	2,399,129.81
Variable remuneration	639,500	580,788.06	1,220,288.06
<b>Total</b>	<b>2,191,648.84</b>	<b>1,427,769.03</b>	<b>3,619,417.87</b>

Fixed remuneration consisted of salary payments, pension payments and private health care contributions.

## **5 Own Funds**

### **5.1 Reconciliation between regulatory capital and accounting capital**

Appendix 1 sets out a full reconciliation of regulatory own funds to balance sheet in the audited financial statements, in the format outlined by the EBA.

### **5.2 Main features of Own Funds**

The following summary table sets out the make-up of the Firm's Tier 1 Capital (CET1) as per the submitted 31 December 2024 regulatory capital returns under the IFR and EMR's.

Capital Resources	€'000
Tier 1 Capital	
Ordinary fully paid-up Share Capital	5,650
Audited retained earnings per 2023 financial statements	14,123
Less: Dividends paid	(7,050)
Less: Intangible assets and deferred tax	(332)
<b>Total Tier 1 Regulatory Capital</b>	<b>12,391</b>

Appendix 2 includes a full composition of regulatory own funds table in the format outlined by the EBA.

### 5.3 Description of restrictions

The Firm currently has one restriction on own funds: own funds are restricted by the combined regulatory capital requirements which are required to be held under the IFR and the European Communities (Electronic Money) Regulations 2011 ("EMRs").

## 6 Own Funds Requirements

### 6.1 Approach to Assessing Capital Adequacy

In accordance with the IFR and EMR's and the Firm's internal capital and liquidity requirement methodology document, the Firm's capital requirement is monitored by the MTL Finance Team. Quarterly, the capital adequacy calculations are prepared and filed with the Central Bank of Ireland under both the Firm's MiFID and EMI licences.

MTL is classified as a Class 2 Firm under IFR and utilises the higher K-factors, Fixed Overhead Requirements or permanent minimum requirement to calculate its Pillar I capital requirements. Additionally, the Firm fully assesses its risk profile to ensure there is a credible link between its risk profile and the capital it maintains through the ICAAP process. This process identifies risks not fully addressed under Pillar 1 and any other risks identified that are not considered under Pillar 1. Additional capital when deemed applicable to ensure the Firm is fully capitalised to compensate for these risks.

In addition, MTL is authorised as an E-Money institution under the EMR and is required to calculate a separate regulatory capital requirement in accordance with the EMRs.

As of 31 December 2024, and throughout the 2024 calendar year, the Firm complied with its prudential minimum capital requirements of IFR and EMRs in that the capital resources were well in excess of the combined regulatory capital requirements.

### 6.2 K-factor requirements

The following table sets out the Firms K-factor requirements as per the 31 December 2024 IFD capital return submitted to the Central Bank of Ireland.

Group	K Factor Requirements	€'000
		Dec-24
Risk to Client (RtC)	Asset under management (K-AUM)	-
	Client money held (K-CMH)	6
	Assets safeguarded and administered (K-ASA)	-
	Client orders handled – cash trades (K-COH)	-
	Client orders handled – derivative trades (K-COH)	-
Risk to Market (RtM)	Net position risk (K-NPR)	54
	Clearing margin given (K-CMG)	-
Risk to Firm (RtF)	Trading counterparty default (K-TCD)	1,785
	Daily trading flow – cash trades (K-DTF)	-
	Daily trading flow – derivatives trades (K-DTF)	-
	Concentration risk requirement (K-CON)	<u>727</u>
<b>Total K Factor Requirement</b>		<b>2,572</b>

### **6.3 Fixed Overheads Requirements**

The following table lists the annual fixed overhead requirement of the previous year (based on the audited 2023 Financial Statements):

Fixed Overhead Requirement (FOR)	€'000
	Dec-23
Total expenses per 2023 Financial Statements	17,847
Less deductions:	
Staff bonuses and other variable remuneration	(2,120)
Shared commissions and fees payable	(542)
<b>Total Fixed Overheads</b>	<b>15,185</b>
<b>Fixed Overhead Requirements @ 25% Dec 2024</b>	<b>3,796</b>

#### **6.4 E-Money Capital requirements**

The following table sets out the Firms E-Money capital requirement as per the 31 December 2024 E-money supplementary return submitted to the Central Bank of Ireland:

<b>E- money Capital requirement</b>	<b>€'000</b>
	<b>Dec-24</b>
Initial Capital requirement	350
Method B – Payment's volume calculation	2,368

#### **6.4 MTL Combined Capital requirements versus Own Funds**

The below table summarises the combined (MiFID and EMI) Pillar 1 capital requirements as of 31<sup>st</sup> December 2024 compared to regulatory Own Funds:

<b>Capital requirements versus Own Funds</b>	<b>€'000</b>
	<b>Dec-24</b>
MTL Regulatory Own funds 31/12/24	12,391
Capital Requirements:	
MiFID (IFR)	(3,796)
EMI	(2,368)
Total combined capital Pillar 1 requirements	(6,164)
Excess own funds over Pillar 1 capital requirements	6,227

### **7. Investment Policy**

MTL does not hold any proprietary investment positions and therefore does not have an investment policy in place.

### **8. Environmental, social and governance risks (“ESG” risks)**

MTL is a subsidiary of the Moneycorp Group, Group ESG risks are disclosed in the Group annual report publicly available at [Moneycorp Annual Report 2024](#).

## Appendix 1

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 statements	Under regulatory scope of consolidation	Cross reference to EU IF CC1
		As at period end €'000	As at period end €'000	
<b>Assets - Breakdown by asset classes according to the balance sheet in the published/audited financial statements</b>				
1	Property, plant and equipment	150		
2	Right of use asset	318		
3	Deferred tax asset	4	4	
4	Cash and cash equivalents	91,992		
5	Derivative Financial instruments	36,421		
	Trade and other receivables	5,020		
8	Prepayments	99		
9	Intangible assets	324	324	
	<b>Total Assets</b>	<b>134,328</b>		
<b>Liabilities - Breakdown by liability classes according to the balance sheet in the published/audited financial statements</b>				
1	Lease liabilities	335		
2	Trade and other payables	82,632		
3	Derivative financial instruments	31,032		
4	Bank overdrafts	1,581		
5	Current tax liability	97		
	<b>Total Liabilities</b>	<b>115,677</b>		
	<b>Net Assets</b>	<b>18,651</b>		
<b>Shareholders' Equity</b>				
1	Share capital	5,650	5,650	Included in Own Funds
2	Retained earnings	13,001	9,962	2023 retained earnings included in Own funds at 31 December 2024
xx	<b>Total Shareholders' equity</b>	<b>18,651</b>	<b>15,612</b>	
x				

## Appendix 2

<b>Template EU IF CC1.01 - Composition of regulatory own funds (investment firms other than small and non-interconnected)</b>			
		(a)	(b)
		<b>Amounts €000'</b>	<b>Source based on reference numbers/letters of the balance sheet in the audited financial statements</b>
<b>Common Equity Tier 1 (CET1) capital: instruments and reserves</b>			
<b>1</b>	<b>OWN FUNDS</b>	<b>12,391</b>	
<b>2</b>	<b>TIER 1 CAPITAL</b>	<b>12,391</b>	
<b>3</b>	<b>COMMON EQUITY TIER 1 CAPITAL</b>		
4	Fully paid-up capital instruments	5,650	Page 17 Financial Statements
5	Share premium		
6	Retained earnings	14,123	Page 17 Financial Statements
7	Accumulated other comprehensive income		
8	Other reserves		
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		
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	(7,050)	Dividends paid. Page 18 Financial Statements
18	(-) Goodwill		
19	(-) Other intangible assets	(324)	
20	(-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities		
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 entities 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	(4)	
27	CET1: Other capital elements, deductions and adjustments		
28	<b>ADDITIONAL TIER 1 CAPITAL</b>	<b>0</b>	
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	<b>TIER 2 CAPITAL</b>	0	
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		