GMSA INVESTMENTS LTD

MIFIDPRU 8 Annual Disclosure

Year ending 31st December 2025

Based on figures from the Firm's audited accounts for the financial year end 31 December 2025

Introduction

GMSA Investments Limited ("GMSA" or "Firm") is required to make annual disclosures in accordance with MIFIDPRU 8. GMSA is a full-scope 750k non-SNI MIFIDPRU investment firm and its core business involves dealing on an agency and principal basis in equities and bonds. GMSA is authorised and regulated in the UK by the Financial Conduct Authority "FCA".

The disclosures aim to make some key information about your firm become publicly available. The disclosures must include the following:

1. Risk management objectives and policies (MIFIDPRU 8.2)
2. Governance arrangements (MIFIDPRU 8.3)
3. Own funds (MIFIDPRU 8.4)
4. Own funds requirements (MIFIDPRU 8.5)
5. Remuneration policies and practices (MIFIDPRU 8.6)
6. Investment policy (MIFIDPRU 8.7)

This document sets out the proposed text of the relevant disclosures that GMSA must make to satisfy its disclosure requirements. As a minimum, GSMA must publicly disclose the information specified in this chapter on its website from the date on which it publishes its annual financial statements.

These FCA requirements are intended to ensure that GMSA's disclosures are sufficient to allow participants to form an assessment of the Firm's risk profile and capital resources on a basis comparable with other regulated financial services firms.

The reference date is 31 December 2025 which is the Firm's accounting reference date and financial year end.

Significant changes since last disclosure period

There have been no significant changes since the Firm's last disclosure period.

Risk Management Objectives

Disclosure Requirement

(1) a concise statement approved by the firm's governing body describing the potential for harm associated with the business strategy; and

(2) a summary of the strategies and processes used to manage own funds, concentration and liquidity risks, and how this helps to reduce the potential for harm.

The GMSA Board is the governing body of the Firm and, as such, is ultimately responsible for the application of a robust internal risk management regime. The Board is aware of the potential harms to clients, market and firm arising from its business activities, principally those being related to the execution services GMSA provides to customers in equities and bonds.

In order to manage risks, the Board receives regular management information on the firm's financial and operational performance. In addition, the Board continuously monitors and, if necessary, enhances, the firm's Business Model, directs the Internal Capital Adequacy and Risk Assessment

('ICARA') process and receives other significant regulatory intelligence which, in aggregate, provide the requisite information to identify trends and issues particularly in relation to:

1. The adequacy of its own funds;
2. The potential existence of concentration risk exposures; and
3. The adequacy of its liquid resources enabling the firm to meet its liabilities as they fall due.

In each of these areas the Board's approach is risk averse in order to ensure that the Firm has sufficient capital and liquidity to remain in business and to avoid the risks created by undue exposures to a single counterparty or a group of related counterparties. To this end, GMSA monitors its actual and near-term capital and liquidity positions on a monthly basis and carries out stress testing of its medium-term financial plans as part of its ICARA process in order to validate the adequacy of its forecast capital and liquidity resources. The Board uses the information presented in its management information to manage its risk exposures, thus protecting the integrity of its own funds and liquid resources.

Summary of Principal Risks

Senior management monitor market and settlement risk, the credit facility with the Firm's clearer, liquidity and any margin requirements for open interest positions for its futures activity on a daily basis. The Firm's management are in direct contact with middle office and finance department allowing for timely updates on any credit or settlement issues. Senior management are also aware in a real time environment of their own account trading activity. In an event that is severe enough to pose a financial risk to the Firm, the management will be able to react quickly.

Market Risk

Market Risk is the risk of loss due to adverse changes in the price of financial assets. GMSA will often hold medium to short term proprietary positions on its balance sheet. To mitigate and monitor market risk, in 2016 GMSA developed an enhanced Capital Adequacy Tool to ensure its daily capital requirements are met. The tool is "live" and shared with management whom are therefore aware of any position or large exposures. GMSA's proprietary positions are limited in size restrictions with hedging and stop-loss policies in place.

FX Risk

The vast majority of trading activity is in EUROS, which is the same as the Firm's reporting currency; hence FX risk is minimal and mitigated by the Finance Department monitoring FX exposure and converting no-EUR revenues to Euros on a monthly basis as required.

Counterparty Risk

Counterparty risk is the risk that a counterparty will not meet its obligations under a financial instrument or contract, leading to a financial loss. The Firm is exposed to counterparty risk from its operating activities. Counterparty risk is considered on a daily basis, although most of the counterparty risk is spread amongst large well capitalised regulated financial institutions, however the Firm will examine credit ratings and request audited accounts from counterparties who are not well-known names, smaller in market capitalisation, not listed on a major exchange and/or unrated by a rating agency. The Firm's management board will then make a decision as to size of transaction undertaken, overall exposure to that party or indeed if to forgo any transactions if the risk is not acceptable. The Firm takes an active approach especially after Lehman Brothers and MF Global bankruptcies that the

Firm will try to limit its overall exposure to a single or connected group, this is done on a case-by-case basis with available information such as financial analysis from audited accounts, credit reports from rating agencies, newswire and other commentary as to the health of a counterparty or potential counterparty. Historically none of the Firm's top 10 clients/counterparties has been responsible for >10% of the Firm's overall business.

Concentration Risk

Concentration risk is the risk arising from exposures to groups of connected parties, counterparties in the same sector, or counterparties undertaking the same activity which could materially impact the Firm's financial position. Concentration risks are incorporated into the specific risk assessments for credit, market and operational risk as indicated herein.

Liquidity Risk

Liquidity risk is the risk that the Firm, although solvent, is unable to generate sufficient cash or other liquid assets in a timely and cost-effective manner to meet its commitments as they become due. GMSA is subject to liquidity risk when it cannot pay monies due to a client, counterparty or creditor, where GMSA does not have sufficient money to pay for a share or bond purchase or where liquidity is only available at an excessive cost. The board acknowledges that the firm must at all times maintain liquidity resources which are adequate, both as to amount and quality, to ensure that there is no significant risk that its liabilities cannot be met as they fall due.

The Company has several systems, policies and processes in place to monitor and manage regulatory capital requirements, working capital needs and cash flows to help provide a sufficient buffer against liquidity risk. Liquidity risk may crystallise if sudden unexpected cash flows are experienced. GMSA's liquidity requirements and balance sheet are closely monitored by Finance and Risk Management at all times. Analysis and reporting of the firm's liquidity position takes place on a daily basis and made available to Executive Directors. This means that under ordinary business conditions, the firm will always expect to have sufficient liquidity in order to be able to meet its liabilities as they fall due.

Interest rate risk

Interest rate market risk is defined as the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes to the yield curve and volatilities in market interest rates. By holding proprietary fixed income positions on its balance sheet, GMSA is exposed to interest rate risk. This is mitigated by use of the Firm's Capital Adequacy Tool and portfolio analysis via PORT function on Bloomberg which amongst other features calculates VAR at the 95% percentile. Both are available and monitored by Executive Directors in real time.

Credit Risk

Credit risk exposure arising from the placement of deposits with banks is mitigated through the placement of funds with banks with high credit ratings. GMSA do not consider quarterly management information necessary to analyse its credit position; material changes in either of its bank's financial position would be widely reported in the financial and non-financial news, allowing GMSA oversight via this method. Generally, monies held are split fairly equally between 2 banks, hence the Firm is not overly reliant on any single bank for the funding of its day-to-day operations.

GMSA utilises the services of two independent clearers for all fixed income business: Global Prime Partners ("GPP") and Banca CredInvest. Both are large well established and regulated entities. Deposits and monies held are segregated, with proprietary long positions maintained in a CASS account.

Clearing of equity trades is handled directly between TFS Derivatives Limited (Tradition Group) and the relevant counterparty via the creation of specific sub-accounts. All monies and trading deposits held are segregated.

Settlement Risk

Settlement Risk is a daily indicator and is thus the indicator most responsive to the firm's trading activity. The firm actively monitors all unsettled transactions and models settlement risk on a daily basis using their Capital Adequacy Tool, and pushes counterparties for timely settlement. As of 2021, a new Auto-Partial settlement tool has been implemented with the Firm's clearers which reduces outstanding unsettled trade amounts. As of February 2022, new CSDR regime imposes acceptance of automatic partials for outstanding/unsettled transactions, thus actively reducing counterparty and settlement risk. Introduction of T+1 settlement cycle for US securities in 2024 further reduces exposures and risks.

Regulatory Risk

The Company's business is regulated by the FCA, and a breach of regulations could lead to a fine or disciplinary action against the Company. The Company monitors actual and impending changes in regulation in order to assess the impact on its business and plans, to ensure any changes are implemented in a timely manner.

The firm has a dedicated Compliance function to provide advice and support the business in maintaining adherence to with the regulatory requirements. Furthermore, a Compliance monitoring program is in place to ensure operational adherence to systems and controls implemented by the firm for regulatory purposes. The Firm has regular mandatory staff training on regulatory, professional and personal obligations and responsibilities.

Operational Risk

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. The definition refers to loss which not only includes financial loss but also other negative effects on the Company such as legal, regulatory and reputational impact. The Firm undertakes a detailed risk assessment process annually to identify potential sources of operational risk. GMSA maintains a series of robust procedures and policies to mitigate operational risk and monitors these systems both through its management control and reporting processes and through its compliance function.

Business Continuity

Business continuity risk is the risk that an internal or external event results in either failure or detriment to core business processes or services. The firm is exposed to interruption of services which may impact its ability to conduct business as a result of system failure, corruption or failure of network infrastructure, denial of access to premises, denial of services through a cyber security threat, cessation of a vendor or service provider, and failure in the firm's disaster recovery plan to address any

particular incident. The firm has business continuity arrangements in place to ensure and maintain resilience where a disruptive event was to occur. The plan is tested at least annually.

For outsourced service providers, SLAs are in place to manage performance. Highest quality service providers are employed. Service providers have controls in place to manage the risks within their own businesses. GMSA reviews the service provided and the SLA at least annually.

Breach of IT and Data security

The Firm's IT security is maintained in conjunction with a robust data protection programme. Industry leading systems are used. Anti-virus software is in place for all servers and desktops. Virus definitions are updated when a new patch is released.

Fraud Risk

The risk of fraudulent action, either internal or external, being taken against the firm and its clients. This risk can arise from failures to implement appropriate management controls to detect or mitigate impropriety either within or external to the business and services provided.

To mitigate this risk, all firm controls require segregation of duties and 4-eye checks were applicable. Staff receive AML, Financial Crime, ABC training and refresher courses throughout their employment. Furthermore, monitoring is undertaken across those areas considered to be of higher fraud risk.

Conduct Risk

The Company's senior management defines "Conduct Risk" as the risk of behaviour by the Company or individuals employed or connected to the Company occurring that would or could:

- undermine trust and confidence in the markets in which the Company is a participant;
- harm the Company's clients;
- harm the Company's reputation;
- harm the Company's employees; or
- threaten the sustainability of the Company's business model.

The board requires the Company and employees to abide by all relevant laws, rules. regulations and principles and act with honesty, integrity and respect. In addition. the board requires that should an employee become aware that there are any breaches of this conduct requirement or violations of any law. rule. regulation or principle governing the firm and its employees, then the employee has a duty to report such breach or violation to their immediate supervisor. or alternatively to the compliance department or HR.

Governance Arrangements

(1) explain how the firm complies with the requirement to ensure 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 clients;

(2) the number of directorships (executive and non-executive) held by each member of the management body;

(3) a summary of the policy promoting diversity on the management body; and

(4) whether the firm has a risk committee or is required to have one.

The Firm has governance arrangements, which include a clear organisational structure with appropriate lines of responsibility and effective processes to identify, manage, monitor and report the risks that it is, or might be, exposed to.

The directors of GMSA recognise and accept that the Board, as the governing body of the Firm, has responsibility for the implementation of governance arrangements that assure its effective and prudent management. GMSA considers that the existing arrangement whereby the Board meets quarterly with meetings minuted and has 3 senior managers in attendance satisfies this requirement. The Board consists of the CEO, Compliance Officer and a senior manager whom is also Executive Director.

Whilst the Board readily acknowledges its collective risk management responsibility, it should be noted that the executive directors are also held accountable for specific areas of delivery under the Senior Managers and Certification Regime.

The Board implements its collective responsibility through the policies and procedures that it approves and cascades to the employees of GMSA. The implementation of these policies and procedures not only protects the reputation of the Firm but also serves to promote market integrity and the interests of GMSA clients. The effectiveness and accuracy of their execution is validated by ongoing compliance monitoring which either validates their successful practical application or identifies failures that can be promptly remediated. The Board frequently reviews and updates the Firm's harms register, and it carries out an extensive ICARA process at least annually. The Board considers that these measures serve to simultaneously protect the interests of the shareholders, clients and market integrity.

The firm's governance arrangements are designed to be proportionate to the nature, scale and complexity of the business and the risks inherent in its business activities.

The Firm ensures that the members of the management body of the firm meet the requirements of SYSC 4.3A.3R. GMSA is subject to the Senior Managers Regime ('SMR') and all members of the management body hold SMF status. The Firm has undertaken the necessary fitness and propriety test associated with the SMR.

GMSA Directors – Other directorships

Given the Firm does not meet the criteria for a Significant SYSC firm as set out in SYSC 1.5.2 it does not put a specific limitation on GMSA directors' external directorships. However, the Board is diligent about ensuring each director is able to dedicate sufficient time to be able to fulfil their governance duties adequately.

Director	Senior Manager Functions	Number of External Directorships

Gian Marco Mondini	SMF1 & SMF3	2
Angelo Rossetto	SMF3, SMF16 & SMF17	0
Fabian Pagano	SMF3	1

Board Diversity

GMSA ensures that its directors, in aggregate, have a sufficient range of skills and experience to manage a business of GMSA's nature, scale and complexity. Whilst the Board believes that its current composition is fit for purpose at the Firm's current scale, it is anticipated that additional directors will be appointed at some future time where appropriate. Any future appointments will be assessed on the criterion that the individual recruited would have the skills and experience that complement those of the existing directors.

The firm is committed to providing equal opportunities and fair remuneration based on role and performance for all staff, irrespective of gender or ethnicity, including at Board level.

Risk Committee

Pursuant to MIFIDPRU 7.1.3R and 7.1.4R, MIFIDPRU 7.3 does not apply to the Firm. Accordingly, the Firm is not required to establish a risk committee and therefore has not established such a committee.

As at the reporting date, the Board considered that it had in place adequate and appropriate systems and controls with regard to the Firm's strategy and that the Firm is properly resourced and skilled, to avoid or minimise loss.

Own Funds Disclosure

Using template below, provide:

a) a reconciliation 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;

(b) a reconciliation of (a) with the capital in the balance sheet in the audited financial statements of the firm; and

(c) 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 Firm's capital management strategy is to maintain sufficient capital resources for its size and complexity of business both in the present and in order to facilitate future growth.

GMSA monitors its financial adequacy regularly and undertakes a formal internal capital and risk assessment at least annually to identify and manage its principal risks and capital requirements in both business-as-usual and stressed scenarios.

In accordance with the overall financial adequacy rule, GMSA manages and monitors its principal risks and considers the impact of stressed scenarios on its requirements to determine the amount of own funds and liquid assets, in terms of both amount and quality, it requires to remain financially viable throughout the economic cycle and to address any material potential harm that may result from its

ongoing activities. It also considers the amount of own funds and liquid assets it would require if, for whatever reason, GMSA decided to wind down to ensure that this would be done in an orderly manner, minimising harm to consumers or to other market participants.

As at the 31 December 2025 and during the year the Firm complied with all regulatory capital requirements.

GMSA's regulatory capital consists of Common Equity Tier 1 (CET 1) capital, which is comprised of share capital, other audited reserves and retained earnings.

GMSA's share capital consists of allotted, called up and fully paid ordinary shares.

The Firm does not hold any Additional Tier 1 (AT1) or Tier 2 (T2) Capital.

The table below summarises the firm's capital and liquidity situation against its regulatory capital requirements as at 31/12/2025.

Table OF1 - Composition of regulatory own funds:

	Item	Amount (GBP thousands)	Source based on reference numbers/letters of the balance sheet in the audited financial statements
1	**OWN FUNDS**	2,916	
2	**TIER 1 CAPITAL**	2,916	
3	**COMMON EQUITY TIER 1 CAPITAL**	2,916	
4	Fully paid-up capital instruments	2,583	Called up Share Capital – pg14, note 18. Base GBP/EUR used 1.1295
5	Share premium		
6	Retained earnings	-497	Page 14, notes 19
7	Accumulated other comprehensive income		
8	Other reserves	830	Page 14, notes 19. Other Reserves + FX Reserves
9	Adjustments to CET1 due to prudential filters		
10	Other funds		
11	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1		
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		
29	Tier 2: Other capital elements, deductions and adjustments		

Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements
Flexible template - rows to be reported in line with the balance sheet included in the audited financial statements of the investment firm. Columns should be kept fixed, unless the investment firm has the same accounting and regulatory scope of consolidation, in which case the volumes should be entered in column (a) only. Figures should be given in GBP thousands unless noted otherwise.

- Assets - Breakdown by asset classes according to the balance sheet in the audited financial statements
- Liabilities - Breakdown by liability classes according to the 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 template OF1
Assets		As at period end (EUR Thousands)	As at period end (EUR Thousands)	
	Fixed Assets	***458***		
	Tangible Assets	7		
	Investments	451		
	Current Assets	***3,589***		
	Debtors	377		
	Stocks	1,084		
	Cash at bank	2,128		
	Total Assets	**4,047**		
Liabilities				
	Creditors <1yr	664		
	Long term liabilities	0		

	Total Liabilities	**664**		
Shareholders' Equity				
	Called up share capital	3,000		Item 4
	Other Reserves	1,000		Item 8
	FX Reserves	-47		Item 8
	Retained Earnings	-570		Item 6
	Total Shareholders' Equity	**3,383**		

Own Funds Requirements

MIFIDPRU 8.5 – Own Funds Requirement

A firm must disclose the following information regarding its compliance with the requirements set out in MIFIDPRU 4.3 (Own funds requirement):

(1) the K-factor requirement, broken down as follows:

(a) the sum of the K-AUM requirement, the K-CMH requirement and the K-ASA requirement;

(b) the sum of the K-COH requirement and the K-DTF requirement; and (

(c) the sum of the K-NPR requirement, the K-CMG requirement, the K-TCD requirement and the K-CON requirement; and

(2) the fixed overheads requirement.

A firm must disclose its approach to assessing the adequacy of its own funds in accordance with the overall financial adequacy rule in MIFIDPRU 7.4.7R. which is:

A firm must, at all times, hold own funds and liquid assets which are adequate, both as to their amount and their quality, to ensure that:

(a) the firm is able to remain financially viable throughout the economic cycle, with the ability to address any material potential harm that may result from its ongoing activities; and

(b) the firm's business can be wound down in an orderly manner, minimising harm to consumers or to other market participants.

As at 31st December 2025, GMSA had the following minimum capital requirements:

Item		Total (GBP thousands)
K-factor	Sum K-AUM, KCMH, KCOH, K-ASA	0
	Sum K-NPR, K-CMG	531
	Sum K-TCD, K-DTF, K-CON	94
	Other Ongoing Activities	157
Total K- factor		**782**
Fixed Overhead Requirement		**647**
Permanent Minimum Requirement		**750**
Own Funds Requirement		**782**

As part of the Internal Capital Adequacy and Risk Assessment ('ICARA') process, the Firm assesses the adequacy of its own funds in accordance with the overall financial adequacy rule in MIFIDPRU 7.4.7 R.

In particular, the Firm assesses the amount of own funds it requires to:

- address any potential harms it has identified which it has not been able to mitigate;
- address any residual harms remaining after mitigation; and
- ensure an orderly wind down of its business.

As the Firm is not an SNI firm, it is required to use its K-factor requirement as a starting point for determining the appropriate amount of own funds to cover risks of harm to the business as a going concern, to the extent that such risks have not or cannot be mitigated.

The Firm assesses whether and to what extent a K-factor requirement covers each risk of harm identified during the ICARA process on a going concern basis (to the extent the risk of harm is not or cannot be adequately mitigated).

For this purpose, each risk of harm is mapped, where relevant, to the corresponding K-factor requirement to assess whether such K-factor requirements are sufficient to cover the post mitigation risk of harm. For risks of harm not sufficiently covered by K-Factor requirements, the Firm will assess whether such risks are adequately mitigated through the Firm's systems and controls and whether, accordingly, the Firm holds sufficient own funds.

GMSA has determined that additional own funds may be required to cover those risks / harms that are insufficiently covered by the K-factors / FOR. The Firm employs quantitative tools such as stress testing and scenario analysis for this purpose.

Liquidity threshold requirements

GMSA is required to hold an amount of liquid assets equal to one third of their Fixed Overhead Requirement (FOR). This is the basic liquid asset requirement and is made up of approved liquid assets, which primarily consist of cash.

Wind Down Capital Requirement

The firm has carried out wind-down simulation within its ICARA with the aim of establishing the amount of regulatory capital and liquidity needed to ensure the firm winds down in an orderly manner. As part of the wind-down simulation, the firm identifies the cost and time for the firm to effectively wind down its operations if a significant stressed event was to either breach the Own Funds requirement or, if for whatever reason, the firm's management body decided to cease operations.

K-factors Definition

The Prudential sourcebook for MIFID investment firms (i.e., MIFIDPRU) of the FCA Handbook sets out the KFR methodology for calculating own funds requirements effective from 1 January 2022. The IFPR introduced nine K-factors. The application of each K-factor at individual investment firms is determined by a firm's regulatory permissions.

Summary of individual K-factors used in the KFR methodology.

K-factor	Description
K-AUM	Assets under management
K-COH	Client orders handled
K-ASA	Assets safeguarded and administered
K-CMH	Client money held
K-NPR	Net position risk
K-CMG	Clearing margin given
K-TCD	Trading counterparty default
K-DTF	Daily trading flow
K-CON	Concentration risk

GMSA assures its compliance with the overall financial adequacy rule (MIFIDPRU 7.4.7) in a number of ways:

- Ongoing monitoring of actual and near-term capital and liquidity positions;
- Stress testing of medium-term financial plans;
- Maintenance of a credible plan to achieve the orderly wind down of the firm whilst minimising harm to clients and/or other market participants.

All of these activities are supervised by the GMSA Board.

Remuneration

GMSA is a MIFID investment firm, authorised by the Financial Conduct Authority ('FCA') to carry on a range of regulated activities including dealing in investments as agent and principal. A consequence of its regulatory status is that the Firm must comply with the relevant provisions of the MIFIDPRU Remuneration Code set out in SYSC 19g of the FCA Handbook, a key element of which is that its remuneration practices are consistent with responsible risk management.

GMSA as a non-SNI (small and non-interconnected) MIFIDPRU investment firm meets the conditions in MIFIDPRU 7.1.4R(1) for reduced disclosure requirements on the basis that the value of the firm's

on and off-balance sheet items over the preceding 4-year period is a rolling average below £100million.

Given the nature and size of the Firm the Remuneration Policy was determined and administered by the Board. The Board therefore is responsible for making strategic decisions on level of remuneration and other benefits for other senior employees.

The Firm's Remuneration Policy takes full account of the Firm's strategic objectives and the long-term interests of the shareholder and other stakeholders. Its objective is to recognise and reward good and excellent performance of employees that helps dive the sustainable growth of the company and preserve shareholder value by ensuring successful retention of employees. The Firm Remuneration Policy is reviewed at least annually by the Board and Compliance Officer.

GMSA's Approach to Remuneration

The nature of GMSA business model is that as an independent broking and trading firm, we employ both fixed salaried staff and have mutually beneficial arrangements with individuals who reside at GMSA to facilitate their own broking business. These individuals whilst not salaried are nevertheless considered part of the GMSA team. The Firm endeavours to monitor and ensure that their remuneration which comprises of share of their commissions/spreads does not have an undue effect on the management of conflicts arising from any financial gain they may have. The Firms senior managers as well as finance and operations all receive a fixed salary. This salary is not dependent on company performance. The Firm's objective is to set remuneration adequately to attract qualified and experienced staff and in line with offerings from direct competitors.

The remuneration year for all staff runs to 31 December.

The link between remuneration and performance

GMSA remunerates its employees through payment of fixed and variable remuneration. The levels of fixed remuneration are determined by the Board and relate to basic wages and salaries plus proportionate pension contributions. In setting levels of fixed remuneration for particular categories of employee, it is the directors' intention that the amounts paid should properly reflect the complexity and responsibility of the roles performed and be consistent with the rates of pay for similar positions in peer group competitor firms.

The fixed remuneration is permanent, pre-determined, non-discretionary, non-revocable and not dependent on sales performance.

GMSA defines 'variable remuneration' as non-contractual payments or provision of benefits made directly to GMSA employees. For salaried employees this is in the form of a discretionary bonus. For employees that are not salaried, this consists of a pre-determined share of monthly commissions generated, which given the nature of the business, are variable from month to month.

GMSA operates a variable remuneration scheme in the form of a discretionary staff bonus pool that is intended to incentivise superior performance across the business without creating a conflicting motivation for reckless or inappropriate behaviour.

There is only one bonus pool based on the performance of the overall business and no bonus arrangement links an individual's remuneration directly to an individual or team P&L.

All salaried employees, irrespective of gender, are eligible to receive variable remuneration, subject to acceptable performance. The levels of variable remuneration paid are determined by the Board. Payment of variable remuneration is made in cash and is discretionary. GMSA does not guarantee payment of variable remuneration and it is GMSA policy that no variable remuneration is paid if it would inappropriately dilute the firm's liquid or capital resources.

GMSA Staff Bonus Pool The value of annual payments made to GMSA employees from the staff bonus pool is determined by, in order, the performance of the Firm, the function in which the individual is employed and the individual's contribution to that performance. Each individual's performance is assessed by line management and each function's performance is assessed by the Board. It follows that sub-optimal performance or failures of service delivery are not rewarded by the payment of variable remuneration, consistent with the principle that remuneration practices should promote responsible risk management. Staff are paid variable remuneration as a percentage of their fixed remuneration. Individual and operational function performances are assessed at financial year-end and variable remuneration payments made subsequently. It is GMSA policy that variable remuneration should not be an element of any severance settlement. Any staff member who leaves the Firm in the period between the financial year end and the payment date for variable remuneration foregoes any bonus that their previous performance might have merited.

The application of malus and clawback will apply where a material risk taker participated in or was responsible for conduct which resulted in significant losses to the firm and/or failed to meet appropriate standards of fitness and probity.

Ratio between fixed and variable remuneration

GMSA ensures that the fixed and variable components of an individual's remuneration are appropriately balanced. When considering the balance between fixed and variable remuneration, the following matters are considered:

- Overall business performance
- Ensuring adequate capital is retained to cover prudential and conduct risks related to the business.
- Individuals' contribution to business performance

Material Risk Takers

The material risk takers in GMSA are the Firm's 3 senior managers, as the individuals who execute the commercial strategy of the Firm and who supervise the execution desk.

Total Remuneration

Fixed remuneration includes both gross salary and employer payments to defined contribution pension plans.
Variable remuneration includes cash bonuses and share of commissions (for non-salaried staff).

In the year ending 31 December 2025, the total remuneration paid to GMSA's material risk takers was:

	MRTs	Non-MRTs
Number of Staff	3	7
Total Fixed Remuneration (£)	196,766	371,380
Total Variable Remuneration (£)	88,539	811,750
of which rewarded in cash (£)	88,539	811,750
of which rewarded in non-cash (£)	0	0
Total Remuneration (£)	285,305	1,183,130

Further Enquiries

Should you have any queries, please contact:

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