INTERACTIVE BROKERS IRELAND LIMITED

CBI REFERENCE NUMBER C423427
CRO REGISTRATION NUMBER 657406

Disclosures

2021

Contents

1. Introduction

1.1. Background

Investment firms are required to make certain public disclosures under Part Six of the Investment Firms Regulation ("IFR", Regulation EU 2033/2019). The disclosures made in this document meet this obligation under the IFR for Interactive Brokers Ireland Limited ("IBIE" or "Firm"). A detailed assessment of the risks and harms has been undertaken through IBIE's Internal Capital Adequacy Assessment Process.

The Pillar 3 disclosure framework, through IFR Part Six, is intended to provide transparency to investors and the wider markets, through a public disclosure of IBIE's level of own funds, own funds requirements, governance arrangements, and remuneration policies and practices.

1.2. Frequency and Scope of Disclosures

The disclosures made in this document are in respect of IBIE, which is a 750k investment firm, and are for the 52-week financial reporting period ended 31st December 2021.

IBIE publishes its Part Six disclosures annually in conjunction with the date of publication of the financial statements. The disclosures are published on IBIE's website (www.interactivebrokers.ie) on the page "forms and disclosures").

These disclosures have been prepared solely for the purpose of fulfilling the Firm's Part Six disclosure requirements and are not used by management for any other purpose. They have not been audited nor do they constitute any form of audited financial statement.

1.3. Company Overview

Interactive Brokers Ireland Limited

IBIE operates both as a broker, executing and clearing orders for its clients, and as a broker-dealer for certain financial products. Clients include affiliated companies. The Firm does not take proprietary positions for its own account, except for;

- on a matched principal basis to support its brokerage business with clients. Principal positions resulting from facilitating client business are offset with counterparties.
- The Firm holds an immaterial amount of equity through its facilitation of clients wishing to invest in fractional shares.

The Firm does not provide research, dispense advice or execute discretionary orders. The Firm does not engage in investment banking or underwriting.

IBIE maintains a highly liquid balance sheet and has established procedures for measuring funding requirements and monitoring its capital. IBIE holds a significant excess of Own Funds. The Firm relies on its own capital for regulatory and liquidity needs. However, as a subsidiary under the overall control of Interactive Brokers Group, Inc. (together with its consolidated subsidiaries, collectively, "IB Group") IBIE has access to additional liquidity and capital from its parent, IBG LLC.

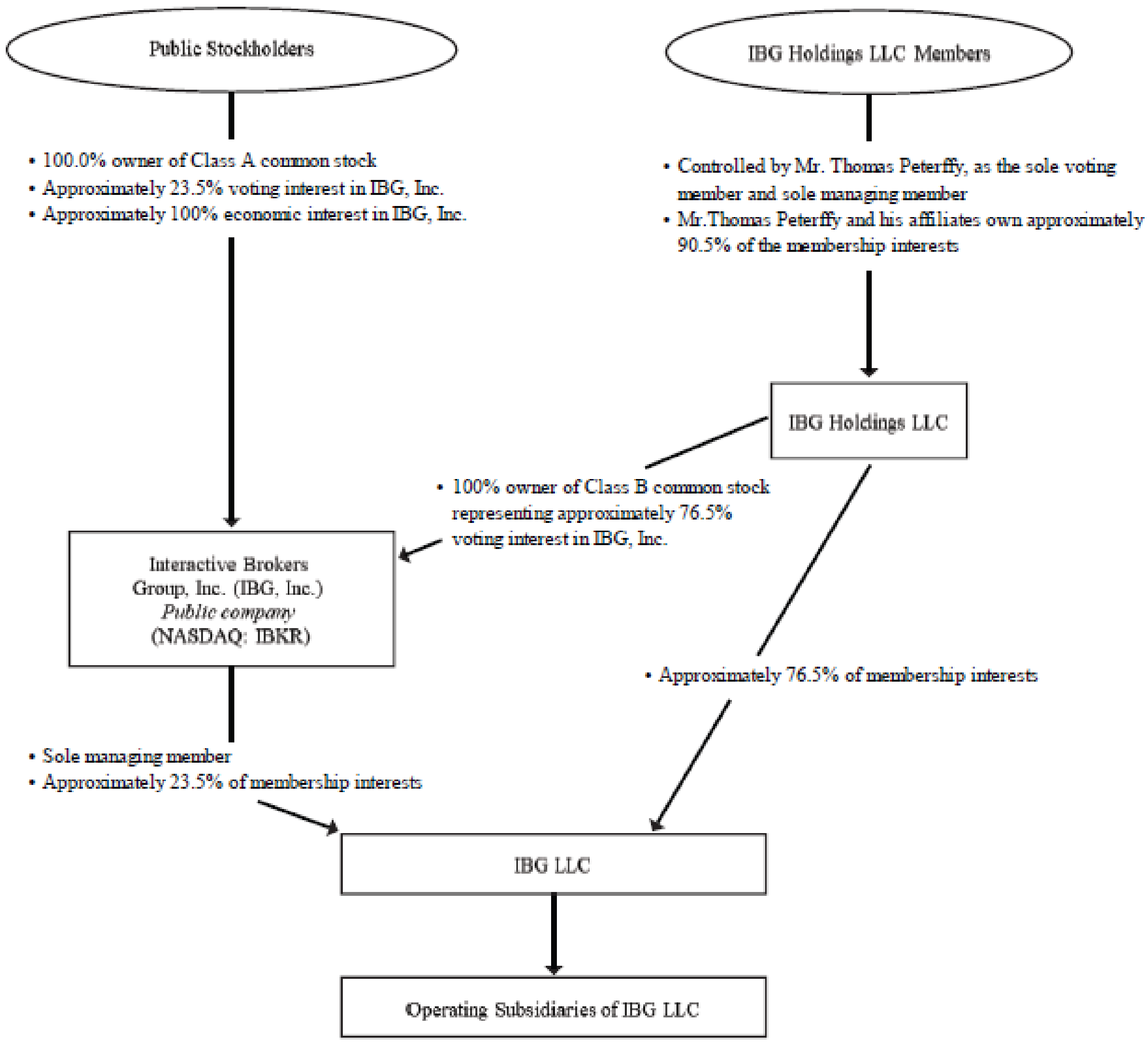
IBIE carries direct clients and holds client money and client financial instruments, which it protects in accordance with the Central Bank of Ireland's client asset regime.

Interactive Brokers Group Inc. Structure: Legal and Operational

IBIE is part of a global group of financial services companies that are under the common control of IB Group. IB Group is publicly listed in the U.S. on the NASDAQ exchange, under the ticker symbol IBKR.

IB Group is an automated global electronic broker. IB Group services accounts for hedge and mutual funds, registered investment advisors, proprietary trading groups, introducing brokers and individual investors. It specializes in routing orders while striving to achieve best execution and processing trades in stocks, options, futures, foreign exchange instruments, bonds, mutual funds and exchange traded funds on more than 135 electronic exchanges and market centres around the world. IB Group's headquarters are in Greenwich, Connecticut, USA.

IB Group maintains a conservative capital structure and a highly liquid balance sheet. IB Group has grown organically and can trace its origins back over four decades. IB Group's capital was $10.2 billion at the end of 2021, with no long-term debt.



2. Risk Management

2.1. Overall Risk Statement and Appetite

IBIE's business strategy is to grow its customer base and generate profit while operating in an ethical, transparent manner and in full compliance with legal and regulatory requirements. The Firm's strategy is one of organic growth with no excessive risk-taking activities.

Effective risk management is critical to ensure that IBIE meets its business goals and objectives while managing its risk profile to within acceptable levels.

IBIE's Risk Strategy is to ensure that the business strategy of the Firm can be delivered in a safe and controlled manner, by reference to clear statements of risk appetite, consistent with IBIE's capital and liquidity plans, and ensuring appropriate safeguarding of client assets.

IBIE embraces taking risks as a part of the way that the Firm works and thinks, but only where they:

1. Keep the Firm safe and secure.
    - We maintain capital and liquidity levels that ensure that the Firm is safe and secure.
    - We do not undertake activities that put our clients or the Firm in danger.
    - We apply a disciplined approach to risk management and governance.

2. Positively contribute towards the achievement of our strategic plans.
    - We seek the most appropriate risk options to achieve our target financial goals.
    - We continually strive to earn the confidence of our stakeholders (including our regulators).

3. Are comprehensively understood and effectively controlled.
    - We have clear ownership and accountability for our material risks.
    - We understand our risk appetite and regularly monitor and manage risks within appetite.
    - We have processes in place for the escalation of risk appetite breaches.

4. Avoid activities that are inconsistent with our values, code of conduct, and policies.
    - Our people behave in a way that is consistent with our target risk culture

2.2. Risk Management Objectives and Policies

The Firm's approach to Risk Management is governed under its Enterprise Risk Management Framework ("ERMF"). The primary purpose of the ERMF is to support the Firm in achieving its strategic objectives in a controlled manner. This framework provides the basis for the Firm to execute its strategy, to proactively manage its risk and to determine the appropriate use of capital through the organisation.

The ERMF governs the way IBIE identifies and manages its risks. IBIE engages in activities which entail risk taking in its business activities on a day-to-day basis. It is exposed to Capital, Credit, Liquidity and limited Market Risk in its financial management. Across its business, the Firm is exposed to Operational, Technology, and Information Security Risk arising from the highly automated nature of its business model and significant reliance on technology. Compliance, Financial Crime and Conduct risks also arise from the Firm's interaction with its clients, the markets which it operates within, and all relevant legal and regulatory obligations to which it is bound.

The ERMF is underpinned by a suite of risk policies that govern our approach to managing the key risks to which the Firm is exposed, including Capital, Credit and Liquidity Risk.

The Firm's risk strategy focuses on identifying, assessing, monitoring, reporting, and mitigating the risks inherent to the business activities that IBIE is exposed. Given that the Firm operates in a dynamic environment, the risk management strategy is proactive, focusing on expected future events and emerging risks. The Firm is continuously developing systems and processes to identify and assess the risks to which it is exposed. This leads to a risk appetite which is the basis for the controls that are established to both manage the Firm's risk and oversee the effectiveness of the Firm's controls.

Capital Requirements

The Firm maintains or allocates appropriate levels of capital so that the Firm meets its regulatory obligations and has sufficient loss absorption capacity for stressed conditions.

The Firm considers its capital requirements under both Normative and Economic Stresses and ensures it has a conservative capital buffer above its Pillar 1 and Pillar 2 requirements per the Firm's Board of Directors ("Board") approved Risk Appetite. Both the buffer and the suite of stress tests under the Normative and Economic perspective are reviewed for appropriateness on at least an annual basis by the Board, with ongoing assessments being carried out by the Asset and Liability Committee. The capital buffer in place is very conservative, well in excess of regulatory capital requirements.

Overall, the Firm's appetite for capital risk in pursuit of its strategic objectives is low. The Firm will not undertake any strategic initiative that would cause capital levels to fall below desired levels. The Firm's intent is to always maintain a conservative buffer above the regulatory minimum.

Concentration Risk

Concentration risk is governed and managed under the Firm's Credit Risk Framework. The overall objectives of the framework are to manage its Credit Risk in line with the overall risk appetite and conservative business strategy.

The Firm differentiates its concentration risk between:

- Client Concentration – potential concentration risk arising from (i) single or connected clients having significant exposures with the Firm; (ii) single or multiple clients having significant exposures to specific positions or market segments; and,
- Non-Client Counterparty Concentration – potential concentration risk arising from the placement of assets with third parties, credit institutions and clearing/custodial institutions.

The risk management objectives in relation to client concentration revolve around minimising concentration risk through sophisticated and automated conservative margining methodologies. The Firm also has specific client concentration appetites and limits in place to ensure compliance with IFR requirements.

The Firm performs ongoing stressed analysis of potential concentrations its clients may have to specific positions/instruments, markets or market segments.

In relation to non-client counterparty concentration, the objectives are around only placing assets with:

- Approved systemically significant counterparties; or,
- Intragroup affiliates.

There is a counterparty assessment process in place and specific limits around the placement of segregated assets with any specific counterparty. Client segregated assets are monitored on a daily basis with the funds moved as required to ensure that the limits remain within appetite.

Liquidity Risk

Liquidity risk is actively managed to ensure:

- The Firm can meet cash flow obligations when they fall due in both business as usual and stressed circumstances;
- Comply with regulatory requirements; and,
- There is sufficient unencumbered liquidity, liquid assets and committed credit lines to sustain liquidity stress scenarios or unexpected funding needs.

Liquidity risk is managed on an ongoing basis through a review of the liquidity requirements on a BAU and stressed basis. The Firm has a specific appetite of unencumbered liquidity exceeding stressed liquidity requirements for a 30-day period. The stressed liquidity requirement assumptions are reviewed and approved on at least an annual basis by the IB Group EMEA Treasurer, the IBIE Asset and Liability Committee and the Board.

IBIE has access to multiple internally defined tiers of unencumbered liquidity specifically:

- Tier 1: Cash on hand.
- Tier 2: Unused margin stocks.
- Tier 3: Committed credit lines.

Tier 1 liquidity matches the definition of liquid assets as per the IFR regulations. Tier 1, Tier 2 and Tier 3 match the definition on unencumbered liquidity as per the Firm's Risk Appetite Statement (RAS).

Operational Risk

Operational Risk is defined as the risk of loss resulting from inadequate or failed internal processes, people, systems, or external events. In order to ensure a comprehensive assessment of all material risks to IBIE, both Technology Risk and Cyber (or Information Security) Risk are designated as key risk Pillars in the Enterprise Risk Management Framework.

IBIE has a low risk appetite for operational risk events which result in a material financial, reputational or regulatory impacts to the Firm or its clients.

Operational Risk is assessed and managed through the process of Risk Control Self Assessments and through ongoing event monitoring and reporting. The overall objective around Operational Risk is to minimise the extent and impact of risk events. Operational Risk is governed through the Firm's Operational Risk Framework.

With respect to IT systems and processes, the overall object is to ensure availability of key systems and processes, to minimise system downtime and to have the appropriate back-ups and contingencies in place to deal with disruptions. This is managed through an IT risk framework and ongoing monitoring, assessment and contingency planning.

IBIE outsources its IT processes and controls to the IB Group and is reliant on Group systems and processes to operate on a day-to-day basis. These outsourcing arrangements are governed by an appropriate outsourcing framework which includes strategy, policy, procedures, and SLAs.

Conduct Risk

IBIE's objective is to manage conduct risk in a way that promotes the sustainable operation of the business, gives IBIE local independence and autonomy while still being aligned with overall IB Group strategy.

In this context, the Board sets the following conduct risk objectives:

1. A positive consumer-focused culture and "tone from the top" that is embedded and demonstrated within IBIE;
2. A Conduct Risk Framework that is fit for purpose and ensures that consumers and other market participant's best interests are protected;
3. Compliance with all relevant obligations; and,
4. Treating customers and market participants, existing and new, in a fair and transparent manner.

To achieve its conduct risk objectives, IBIE has a comprehensive governance framework in place aimed at identifying, managing and mitigating conduct risks.

Conduct Risk is managed through ongoing reviews of relevant legislation and guidance, and of client communications and disclosures, to evaluate the clarity of business terms, regulatory disclosures, and marketing communications. Furthermore, there are regular reviews of IBIE's client inquiries to customer services, to identify key topics and areas of focus for potential enhancements to the platform.

3. Governance

3.1. Governance Structure Overview

The Board of Directors of IBIE is the governing body for managing risk within the Firm and sets the overall level of risk that the Firm will accept. The Board is currently comprised of six members of which two are Independent Non-Executive Directors, two are IBIE executives (the CEO & COO) and two are Group Non-Executive Directors. The Firm is in the process of appointing a third Independent Non-Executive Director, subject to regulatory approval.

To assist in the ongoing governance, management and implementation of risk management and risk strategy, the Board as the governing body delegates its authority to specific sub-committees within IBIE. These committees assist the Board in reviewing and bringing to its attention specific issues and items on an ongoing basis. They are:

- Remuneration Committee, which is responsible for the framework of remuneration for the Firm's Executives..

- Board Risk Committee ("BRC") assists the Board and other committees that oversee specific risk-related issues and serves as a resource for management by overseeing risk across IBIE.

  The BRC oversees all material aspects of the Firm's ERMF and Enterprise Risk function, including the strategies, policies, procedures, processes, and systems established by management to identify, assess, measure, monitor and manage the major risks facing the Firm. The Committee's role includes a focus on the qualitative and quantitative aspects of internal and external risk measurement and on the Firm's processes for the management of risk. The BRC met 9 times during 2021.

- Board Audit Committee ('BAC') oversees all material aspects of the Company's financial reporting, system of internal controls, and the performance of the internal and external audit functions. The Committee's role includes a focus on monitoring IBIE's financial reporting process and its adherence to the relevant accounting standards as well as on Company processes for the management of business/financial risk and for compliance with significant applicable legal, ethical, and regulatory requirements..

The various Board Committees are supported by a number of Executive Level Committees including Risk, Compliance and Asset and Liability Committees.

3.2. Directorships Held By Board Members

Board Member	No. Directorships
Jonathan Chait	9
Patrick Mulvihill	2
Enda Allen	13
Sabrina Pescetto	1
Robert Prior	2
Kevin Keller	1

3.3. Governance and Diversity

IBIE obtained its license from the CBI on 22nd December 2020 and commenced operations from that date. An initial client migration phase was largely completed in 2021 where clients moved from other IB entities to IBIE (principally as a result of the UK's departure from the European Union). As the Firm is maturing through organic growth of its own, the Firm is in the process of drafting a diversity policy which will set out its diversity objectives and targets for the Board and Executive Management.

4. Own Funds

4.1. Reconciliation of Own Funds to Financial Statements

Template EU IF CC2: Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements

		a	c
		Balance sheet as in published financial statements	**Cross reference to EU IF CC1**
		As at period end	
Assets - *Breakdown by asset classes according to the balance sheet in the published/audited financial statements*			
1	Cash and cash equivalents	79,934	
2	Securities borrowed	182,141	
3	Receivables from clients	2,633,081	
4	Receivables from brokers and dealers	207,297	
5	Receivables from affiliates	194	
6	Interest receivables	6,330	
7	Financial assets at fair value held for trading	33	
8	Property and equipment	755	
9	Deferred tax assets	81	20
10	Other non-financial assets	8,978	19 (part)
11	**Total Assets (EUR'm)**	**3,118,824**	
Liabilities - *Breakdown by liability classes according to the balance sheet in the published/audited financial statements*			
13	Securities loaned	182,146	
14	Payables to clients	1,574,572	
15	Payables to brokers and dealers	908,346	
16	Payables to affiliates	4,396	
17	Interest payables	4,047	
18	Lease liabilities	435	
19	Other financial liabilities	7,739	
20	Other non-financial liabilities	2	
21	**Total Liabilities (EUR'm)**	**2,681,683**	
Shareholders' Equity			
22	Share capital	50	4
23	Capital contribution account	429,950	8
24	Retained earnings (deficit)	7,141	6
25	**Total Shareholders' Equity (EUR'm)**	**437,141**	

IBIE meets the obligations laid down in Part Six of IFR on an individual basis, so in the above EBA template (EU IF CC2) column 'a' (Balance sheet as in published/audited financial statements) equals column 'b' (Under regulatory scope of consolidation), and consequently the latter column has been omitted.

4.2. Composition of Own Funds

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

		(a)	(b)
		Amounts[1]	**Source[2]**
	Common Equity Tier 1 (CET1) capital: instruments and reserves		
1	**OWN FUNDS**	428,229	
2	**TIER 1 CAPITAL**	428,229	
3	**COMMON EQUITY TIER 1 CAPITAL**	428,229	
4	Fully paid up capital instruments	50	22
5	Share premium		
6	Retained earnings	7,141	24
7	Accumulated other comprehensive income		
8	Other reserves	429,950	23
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	(8,912)	
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	(-) Other intangible assets	(8,831)	10 (part)
20	(-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	(81)	9
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		
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		

Notes:
1. Values in EUR millions.
2. These are reference numbers in the summary balance sheet, template EU IF CC2 (see Section 4.1).

4.3. Own Funds: Main Features of Own Instruments Issued by the Firm

IBIE does not issue Own Instruments.

5. Own Funds Requirements

5.1. Internal Capital Adequacy Assessment Process (ICAAP)

The internal capital adequacy assessment process ("ICAAP") considers critical risks and current and future business activities to determine the adequacy of the Firm's capital (own funds) position. The ICAAP risk identification and assessment processes are crucial to ensuring that all material risks are captured. This then allows each risk to be quantified from Economic and Normative perspectives whilst taking a proportionate approach to the level of own funds required. Additional consideration is given to how these risks are managed within IBIE, which assists in determining the residual risks for which own funds must be held. This ensures own fund requirements considers wider risk management activities.

IBIE recognises it should manage all risks both singularly and in aggregate, and independently from the IB Group. To do so, the Firm believes that its own funds must exceed its own funds requirement – on a Pillar 1 plus Pillar 2 basis (Overall Capital Requirement) – by a minimum percentage, which is in line with the Board approved Risk Appetite Statement buffer. Maintaining a management buffer of own funds over the own funds requirement will give IBIE sufficient flexibility to take actions to either reduce the own funds requirement or increase own funds, without being at risk of breaching regulatory minimums. Such an excess ensures that, as IBIE's business increases or decreases in size, there are adequate capital resources to ensure financial resilience under severe adverse conditions and which will cover the potential impact of all but the most extreme scenarios.

The management buffer level is reviewed and approved on a regular basis by the Board (at least annually), with ongoing assessment of the adequacies of these levels being carried out by IBIE's Asset & Liability Committee.

The Normative perspective, when considered along-side the Economic perspective, constitutes the IBIE approach to assessing internal own fund requirements and is the primary driver of the overall ICAAP outcome.

The Normative perspective considers a multi-year assessment of the Firm's ability to fulfil all its capital-related regulatory and supervisory requirements, under both baseline and adverse conditions. In particular, the Normative perspective is assessed by way of stress testing, which assesses the Firm's continuing ability to meet its supervisory requirements under a number of scenarios.

Stress testing provides insights into both the vulnerabilities of the IBIE business model and of the level of financial resilience of its capital adequacy.

The Normative approach informs the level of the management buffer (which is intended to cover an adverse stress), which determines the level of own funds required.

Under the Economic perspective, IBIE uses internal capital quantification approaches that are tailored to the Firm's business model. Utilising internal approaches, the Firm captures idiosyncrasies inherent in the Firm's business model that may not be fully captured through the regulatory own funds requirements approach.

When considering the outputs of the perspectives, IBIE considers available own funds in excess of regulatory requirements as a key metric for the ICAAP. Both from an Economic and Normative perspective, management assesses the projected available own funds to meet the own funds requirements and Board approved Risk Appetite Statement management buffer.

5.2. K-Factor Requirements

The K-Factor requirements arising as at 31st December 2021 for IBIE are:

K-Factor Requirement	Amount (EUR'm)
Risk to Client K-Factor Value	21,572
Risk to Market K-Factor Value	154
Risk to Firm K-Factor Value	4,735
Total K-Factor Value	**26,461**

5.3. Fixed Overhead Requirement

The fixed overheads requirement, determined in accordance with IFR Article 13, is EUR 6.9 m.

6. Investment Policy

As described in Section 1, IBIE provides only self-directed investment services. Consequently it does not generally hold shares itself either directly or indirectly and as such this disclosure requirement is deemed to be not applicable to IBIE.

7. Remuneration Policy and Practices

7.1. Remuneration Policy Summary

These disclosures cover the remuneration policies and practices of Interactive Brokers Ireland Limited (the "Firm"), including aspects related to gender neutrality and the gender pay gap, for those categories of staff whose professional activities have a material impact on the Firm's risk profile ("Staff"), as determined in accordance with Commission Delegated Regulation (EU) 2021/2154.

The applicable regulations, under which these disclosures are made include the European Union (Investment Firm) Regulations 2021 (SI No. 355/2021), and the Investment Firms Regulation (EU) 2019/2033. The Firm does not benefit from the derogation laid down in Article 32(4) of Directive (EU) 2019/2034.

The Firm's remuneration policies and practices are designed to incentivise Staff to act in ways that are consistent with and promote the Firm's overall long-term interests in terms of growth and profitability. Their overall aim is to ensure that the Firm is i) encouraging a positive risk culture by aligning risk management practices with remuneration practices and ii) maintaining a sound capital base. IBIE reviews the remuneration policies and practices annually. Categorisation of Staff is also refreshed on an annual basis.

IBIE adopts a gender-neutral approach to all aspects of remuneration and evaluates staff solely on the basis of their performance and that of their business unit and of the Firm.

The Firm pays both fixed and variable remuneration. Fixed remuneration is paid in cash and is permanent, predetermined, non-discretionary and non-revocable. It includes both basic pay and benefits that are not based on performance and are part of a routine employment package, including pension contributions and health benefits. The Firm considers all performance related awards to be variable remuneration, and any payment not classified as fixed remuneration is considered to be variable remuneration.

The most important design characteristics of the Firm's remuneration system are as follows:

a) Governance

The Firm's remuneration policy and practices are governed by the Firm's Board of Directors, which is ultimately responsible for the design, the approval and the oversight of the Firm's Remuneration Policy. The Board has delegated authority to the Board Remuneration Committee to oversee the Firm's remuneration framework, as well as approving senior management remuneration. The Remuneration Committee has three Board directors as members, two of whom are Independent Non-Executive Directors and one of whom is a Group Non-Executive Director.

HR, Risk Management, Compliance, Internal audit, Finance and Legal play an active part in the ongoing oversight and review of the Firm's remuneration policy and practices.

b) Proportionality

The Firm's remuneration policies and practices are appropriate to the Firm's size, its internal organisation and the nature, scope and complexity of its activities.

c) The Level of Variable Remuneration

Variable remuneration is linked to a Staff member's performance and is set at an amount which encourages Staff members to perform their functions in a way that furthers the Firm's long-term interests and discourages them from performing their role in a way which is inconsistent with these interests.

The level of variable remuneration to be paid to each staff member is determined annually and may vary from year to year. The Firm does not pay guaranteed variable remuneration and the level of fixed salary is such that it is possible that a staff member does not receive variable remuneration in a given year.

d) The Criteria for Awarding Variable Remuneration

The Firm only pays variable remuneration where this is:

i) sustainable according to the Firm's financial situation and does not limit the Firm's ability to maintain its sound capital base in the longer term; and,
ii) justified on the basis of the performance of the Interactive Brokers Group, the Firm, the relevant Staff member's business unit and the Staff member concerned.

How a Staff Member's performance is evaluated differs depending on their specific role, but generally depends on the performance of measurable business results, along with achieving other assigned departmental and personal goals.

e) Payout in Instruments

The Firm, in conjunction with the Interactive Brokers Group, operates a Share Incentives Plan. Staff are paid 50% of their variable remuneration in shares of Interactive Brokers LLC under this plan.

f) Deferral Policy

IBIE defers at least 40% of variable remuneration awarded to Staff over a four year period, with 10% of variable remuneration vesting each 12 months, starting 12 months after the beginning of the deferral period.

The payment of deferred variable remuneration is intended to ensure that a sufficient part of the variable remuneration can be adjusted for risk outcomes over time through ex post risk adjustments.

g) Vesting Criteria

The Firm applies vesting criteria that are intended to capture instances where variable remuneration was awarded but it subsequently transpires that the award was not justified in view of the performance of the relevant Staff member, the Staff member's business unit and/or that of the Firm.

Variable remuneration is subject to malus and clawback provisions. Malus is an arrangement that permits the Firm to reduce the value of all or part of deferred variable remuneration based on ex-post risk adjustments before it has vested. Clawback is an arrangement under which Staff must return to the Firm ownership of an amount of variable remuneration paid in the past or which has already vested, under certain conditions.

7.2. Variable Remuneration Ratio

The Firm sets the maximum ratio between the fixed and variable elements of remuneration at 100%.

7.3. Quantitative Remuneration Information

The following quantitative information for the year ending at the reference date of this document is disclosed as required by Article 51(c) of IFR.

Remuneration Overview

Staff Category	No. of Beneficiaries	Total Fixed Remuneration[1]	Total Variable Remuneration - Cash	Total Variable Remuneration - Shares
		EUR 000's	EUR 000's	EUR 000's
Senior Management	10	1,861	358	343
Other Material Risk Takers	4	292	14	13
Total	14	2,153	372	356

Notes:

1. Fixed remuneration consists of salary, pension contributions, and health benefits.

Deferred Remuneration

The Firm was first authorised as an investment firm at the end of 2020 and therefore 2021 is the first year to which deferred remuneration requirements apply.

There were no guaranteed variable remuneration awards made during the current financial year.

There were no severance payments awarded in previous periods, that were paid out during the current financial year.

There were no severance payments awarded during the current financial year.