Oppenheimer Europe Ltd.
125 Wood Street
London EC2V 7AN
United Kingdom

Oppenheimer Europe Ltd

MIFIDPRU 8 Disclosure

31 December 2023

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Table of Contents

1. Introduction

1.1 Background and Disclosure

Oppenheimer Europe Limited ("Oppenheimer" or the "Firm") is authorised and regulated in the UK by the Financial Conduct Authority ("the FCA") to provide financial services to European based institutions and corporations across corporate finance, equities, fixed income, debt capital markets, and portfolio strategy research.

Under the Investment Firms Prudential Regime (IFPR), Oppenheimer must make certain public disclosures as per Chapter 8 of the Prudential Sourcebook for MiFID Investment Firms in the FCA Handbook ("MIFIDPRU 8").

Oppenheimer is classified under MIFIDPRU as a Non-small and non-interconnected MIFIDPRU investment Firm ("Non-SNI MIFIDPRU Investment Firm"). Oppenheimer is below the thresholds set out in MIFIDPRU 7.1.4R(1), and as such Oppenheimer is only required by MIFIDPRU 8 to disclose information on the following areas:

- Risk management objectives and policies;
- Governance arrangements;
- Own funds;
- Own funds requirements; and
- Remuneration policy and practices.

The purpose of these disclosures is to give stakeholders and market participants a clear picture of the risks to the Firm's business and potential risks to market participants caused by the Firm through several quantitative and qualitative measures. Oppenheimer intends to contribute to market confidence by offering the markets proportional disclosures about its financial health and how its material risk takers ("MRTs") are compensated.

The Firm's remuneration arrangements disclosed in section 6 of this document have been prepared according to the relevant rules applicable to the Firm in part 19G of the Senior Management Arrangements, Systems and Controls legislation (SYSC19G).

1.2 Structure, Operating Model and Principles

The Firm operates from London: 125 Wood Street, London EC2V 7AN.

Oppenheimer presently has three principal business lines which are:

1. *Equity Sales and Trading*

The Equities business provides US research coverage to institutional clients located in EMEA and offer execution capabilities in global equities. The Firm receives payment for both research and agency execution capabilities.

2. *Fixed Income Sales and Trading*

The Fixed Income business covers institutional clients located in EMEA.

3. *Corporate Finance*

The Corporate Finance, which includes the Fund Placement & Advisory business, offers advisory to private equity, shareholders and corporates across EMEA. These may include purchase/sale/merger, investment fund capital raising, debt fundraising, assist with a public-to-private sector deal, public offering, etc. While the range of potential services is broad, the key common thread is that only activities that do not require any commitment of Oppenheimer's capital will be undertaken.

The Firm is authorised to carry out the following activities and services as per the FCA register:

- Advising on investments (except on Pension Transfers and Pension Opt Outs)
- Arranging (bringing about) deals in investments
- Arranging, safeguarding and administration of assets
- Dealing in investments as agent
- Dealing in investments as principal

- Making arrangements with a view to transactions in investments

1.3 Frequency of Disclosure

The Firm completes the MIFIDPRU 8 disclosure annually on the date the Firm publishes its annual financial statements. As appropriate, the disclosures will be made more frequently if there is a major change to the Firm's business model.

All figures are as at the Firm's financial year end, 31 December 2023.

1.4 Verification of Disclosure

This document has been subject to review and approval in order to ensure compliance with the regulatory requirements contained within MIFIDPRU 8. The document is prepared by the Senior Management team. The document is reviewed and challenged by the Board prior to publication.

The disclosures are not required to be subject to independent external audit. The disclosures will only be subject to external verification to the extent that they are equivalent to those taken from the audited annual financial statements. They do not constitute financial statements and should not be relied upon in making judgements about the Firm.

2. Risk Management objectives and policies (MIFIDPRU 8.2)

This section describes the Firm's risk management objectives and policies for the categories of risk addressed by the requirements of the Firm in the following areas:

- Own Funds
- Liquidity
- Concentration risk

2.1 Statement of Risk Appetite

Oppenheimer has adopted a conservative risk appetite in respect to all types of material harms that arise in the course of pursuing its business model and strategy. The Firm's conservative risk appetite is reflected in its maintenance of own funds and core liquid assets well in excess of its own funds and liquid assets requirements, respectively, which is indicative of the fact that the Firm wishes to take little or no risk that it might be unable to meet its liabilities as they fall due. Risks are mitigated wherever possible and when they fall within the Firm's risk appetite.

The Firm is exposed to several risks and uncertainties, operates in fast moving and highly competitive markets. Financial market turmoil may affect client trading activity and their appetite for primary issuance. The Firm has a reliance on key personnel and the retention of these individuals is extremely important. The Firm manages its risk by fostering a culture of integrity, compliance and client service.

2.2 Risk Management

The Firm's Executive Directors retain overall responsibility for the risk management processes within the Firm. Certain oversight responsibilities have been delegated to appointed Senior Managers ('SMs') under the implemented Senior Managers & Certification Regime ('SM&CR'), and responsibilities are allocated within the Statements of Responsibility ('SoRs').

The Firm's key risks and controls are identified, recorded and monitored periodically using the Firm's appointed risk management system. The Firm has a Risk & Compliance Committee in place, which governs this process. This committee reports to the Board of Directors on the effectiveness of the controls in place to mitigate the Firm's risks.

The Firm undertakes an annual Internal Capital Adequacy and Risk Assessment Process ("ICARA"), through which the Firm determines that it is able to identify and manage its key risks on an ongoing basis and that it has sufficient capital in respect of such risks. The process is forward looking and is an integral part of the management of the Firm.

The following are some of the risks the Firm is monitoring, however there could be additional risks and factors impacting the business, which are not listed below.

Own Funds requirement

To calculate the Firm's own funds requirement, Oppenheimer identifies and measures the risk of harms applicable to the Firm and considers these risks with regards to its ongoing operations and from a wind-down perspective. The Firm then determines the extent to which systems and controls in place mitigate the Firm's risks and the potential for a disorderly wind-down, and thereby determines the appropriate amount of additional own funds required to cover the residual risks. This is done as part of the Internal Capital Adequacy and Risk Assessment ("ICARA") process where potential harm to clients, markets and the Firm are considered. The ICARA is an important component of the risk management process that feeds into and derives from the policies, procedures, systems and controls that play a key role to ensure that the Firm operates effectively.

Liquidity Risk

Liquidity risk is the risk that Oppenheimer does not have sufficient liquid assets to meet liabilities as they fall due. The level of liquidity is monitored regularly by forecasting the monthly cash position to ensure that cash balances remain sufficient. As part of the ICARA process, the primary liquidity risks are quantified using severe but plausible stress testing. The Firm uses the ICARA process to ensure that there is sufficient liquid resources available at all times to cover the exposures to the potential materialisation of the stressed scenarios.

Senior management is committed to maintaining sufficient liquidity to meet the obligations as they fall due, or as needed in the event of an operational and regulatory orderly wind down. An increase in the expenses would occur only if coupled with an identified increase in cash income, or sufficient excess liquid capital to support any forecasted negative cash flow. Such an increase would only arise as a result of formal business planning. Liquidity risk is monitored using the Firm's Liquidity Framework, which is designed to ensure that it has sufficient liquid funds to meet its foreseeable liabilities as they fall due. The management committee is also informed of capital and liquidity matters.

Operational Risk

The Firm has identified a number of key operational risks to manage. These relate to systems failure, failure of a third party provider, loss of key employees, potential for serious regulatory breaches, market abuse, dealing errors, IT security breach, money laundering, breach of regulatory rules, fraud, and theft. Appropriate polices are in place to mitigate against these risks, and the Firm has no significant history of operational failures which have resulted in unidentified costs being incurred. The Firm uses external auditors to sign off on statutory financial statements, external IT providers and advisors to advise on IT security.

Market Risk

The potential for changes in the value of securities owned by the Firm resulting from change in prices and interest rates are referred as market risk. The Firm manages the market risk exposure through its risk management procedures with oversight of both Senior Management and Risk Committee at UK and Global level.

Credit Risk

The Firm uses third parties to execute and clear trades. In the event that clients and or market, counterparties do not fulfil their obligations the Firm could be exposed to credit risk. The Firm manages this risk by setting and monitoring positions limits for clients and market counterparties, reviewing and monitoring financials of clients and counterparties. The Firm continues to monitor its operational, market risk and credit risk as exogenous external events unfold.

Conduct Risk

Conduct risk is broadly defined as any action of a regulated company or individual that leads to customer detriment or has an adverse effect on market stability or effective competition. These are a reflection of the FCA's three statutory objectives:

- Protect consumers – securing an appropriate degree of protection;
- Protect financial markets – protect and enhance the integrity of the UK financial system;
- Promote competition – promote effective competition in the interests of consumers

Companies should seek good behaviour across all aspects of their organisation and develop a culture in which it is clear that there is no room for misconduct. The Firm has implemented a strong set of tools to seek good behaviour across its business strategy, business model, risk appetite, governance & accountability, conflicts of interest, systems & controls and culture.

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3. Governance Arrangements (MIFIDPRU 8.3)

3.1 Senior Management Team

Oppenheimer is a UK Limited Company and therefore its highest level of governance is its Board.

The Directors meet frequently both informally and formally to discuss the operation of the business, the risks it faces, and the financial position of the business. The financial position of the business is monitored on a day to day basis by the finance department. The Directors receive regular informal and formal reports on the activity of the Firm, including the cash position of the Firm on a quarterly basis. The frequent financial and risk discussions ensure the Directors are considering on an on-going basis whether there are new or changing risks to the Firm's capital, and whether the Firm continues to meet the FCA's capital adequacy requirements on an on-going and projected basis.

Oppenheimer maintains an Operational Risk Register and in line with FCA guidance has established a Risk Management Committee which monitors the risks and mitigating controls of the Firm. The Risk Management Committee reports to the Board.

A firm's senior management are those who effectively direct the business of a firm. Prime responsibility for the general management of Oppenheimer lies with the Directors. On a day to day basis, the activities of the Firm are overseen by members of the Executive Committee ("EXCO") (Max Lami, Alkesh Mistry, Lance Heatley, Daniel Middleton and Rishi Rughani).

The management of the Firm is undertaken by senior management who have been approved by the FCA and are sufficiently experienced and of good repute. Senior management are involved in the formulation and implementation of the policies of the Firm and approve all policies. They play a part in the decision-making process on all significant decisions and are involved in the strategy and general direction of the Firm, including how these strategies are implemented.

The following make up the Executive Committee of Oppenheimer Europe Ltd:

1) **Massimiliano Lami (MXL01209)**
   Massimiliano holds the following senior management functions:
   - SMF1 Chief Executive
   - SMF3 Executive Director
   - SMF9 Chair of the Governing Body

2) **Alkesh Mistry (AXM17196)**
   Alkesh holds the following senior management function:
   - SMF16 Compliance Oversight

3) **Daniel Middleton (DRM01184)**
   Daniel holds the following senior management function:
   - SMF3 Executive Director
   - SMF17 Money Laundering Reporting Officer (MLRO)

4) **Rishi Rughani (RXR01402)**
   Rishi holds the following senior management functions:
   - SMF3 Executive Director

5) **Lance Heatley (LXH01115)** – FCA CF

6) **Ian Mackichan (ICM01023)–** FCA CF

7) **Akasha Cawson (AXC00419)**

The table below sets out the number of directorships (executive and non-executive) held by each member of the Executive Committee.

Name	SMF Function/Position at Oppenheimer	No. of external directorships held
Massimiliano Lami	SMF 1 Chief Executive SMF3 Executive Director SMF9 Chair of the Governing Body	0
Alkesh Mistry	SMF16 Compliance Oversight	0
Daniel Middleton	SMF3 Executive Director SMF17 Money Laundering Reporting Officer (MLRO)	0
Rishi Rughani	SMF3 Executive Director	0
Lance Heatley	European Head of Fixed Income	0
Ian Mackichan	European Head of Equities Sales	0
Akasha Cawson	Head of Human Capital Management, Communications and Executive Support	0

3.2 Approach to Diversity of the Senior Management Team

Oppenheimer's approach to diversity within Management is in line with that of the wider Group's Equality and Diversity Policy. The Firm is committed to promoting equality and diversity as well as valuing a culture of inclusion. Oppenheimer recognises that having a diverse team is essential to creating a well-balanced structure that encourages equality throughout the business and in turn maintains a desirable, committed, and efficient workplace.

Management has a responsibility to lead by example and adhere to the Equality and Diversity Policy, which helps promote the firm-wide aim of equal opportunities. As such, there is a strong emphasis on the recruitment process, taking into consideration not only experience and talent but also gender, ethnicity, age, and education as well as clear focus on talent development and career growth for diverse professionals.

The Firm is focused on developing a recruitment and selection process for jobs in a way that ensures no unlawful discrimination occurs. Furthermore, it aims to improve the internal training, development and promotion structure that enables equal opportunity for long-term career growth and development for all employees.

The Firm acknowledges that it has statutory duties in relation to equal pay and non-discrimination and is committed to complying with those duties in relation to this Policy and its general Remuneration Practices.

The Firm has established, implemented and maintains gender neutral Remuneration Practices in accordance with the requirements of the MIFIDPRU Code.

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4. Own Funds (MIFIDPRU 8.4)

4.1 Composition of Regulatory Own Funds

Oppenheimer's own funds are made up of Common Equity Tier 1 (CET1) and Tier 2 (CET2) capital. As at 31 December 2023 the Firm had sufficient capital to cover its capital requirements. This can be seen summarised in the table below:

Composition of regulatory own funds			
	Item	**Amount ($000's)**	**Source based on reference numbers/letters of the balance sheet in the audited financial statements**
1	**OWN FUNDS**	**10,276**	
2	**TIER 1 CAPITAL**	**7,646**	
3	**COMMON EQUITY TIER 1 CAPITAL**		
4	Fully paid up capital instruments	35,527	Page 24
5	Share premium		
6	Retained earnings	(20,595)	Page 24
7	Accumulated other comprehensive income		
8	Other reserves		
9	Adjustments to CET1 due to prudential filters		
10	Other funds		
11	(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	(7,286)	
19	CET1: Other capital elements, deductions and adjustments	(7,286)	
20	**ADDITIONAL TIER 1 CAPITAL**		
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**	**2,630**	
26	Fully paid up, directly issued capital instruments	2,630	
27	Share premium		
28	(-) TOTAL DEDUCTIONS FROM TIER 2		
29	Tier 2: Other capital elements, deductions and adjustments		

The CET1 capital is wholly comprised of fully paid-up Share Capital and Retained Earnings. The deduction from CET1 capital is made up current year losses, intangible assets, deferred tax assets and qualifying holdings outside the financial sector. Tier 2 capital is wholly comprised of a subordinated loan.

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4.2 Reconciliation of Regulatory Own Funds to Balance Sheet in the Audited Financial Statements

The below table shows the reconciliation of regulatory own funds to balance sheet in the audited financial statements:

Reconciliation of regulatory own funds to balance sheet in the audited financial statements		
	A	**B**
	Balance as per audited financial statements ($'000)	**Cross-reference to template OF1**
	31/12/23	
Property and equipment	1,806	
Investment in associates	3,748	
Right-of-use-assets	4,467	
Deferred tax asset	2	
Trade receivables	7,976	
Cash at bank	8,324	
Total Assets	**26,323**	
Trade and other payables	6,223	
Lease liabilities	773	
Current tax payable	202	
Deferred compensation	-	
Lease liabilities	4,307	
Subordinated debt	5,000	
Total Liabilities	**16,505**	
Share capital and capital reserve	30,527	4 – share capital
Retained Earnings and transaction reserve	(25,709)	6, 19 – retained earnings and current year losses
Total Equity	**9,818**	
Total liabilities and equity	**26,323**	

5. Own Funds Requirements (MIFIDPRU 8.5)

5.1 Permanent Minimum Capital, Fixed Overhead and K-Factor Requirement

The below table shows the breakdown of the own funds requirement. Oppenheimer is required at all times to maintain own funds that are at least equal to the Firm's own funds requirement. The own funds requirement is the higher of the Firm's:

Requirement as at 31 December 2023	$'000
Permanent Minimum Capital Requirement (PMR)	**956**
Fixed Overhead Requirement (FOR)	**5,440**
K-factor Requirement (KFR)	**1,206**
- *K-COH Requirement*	*40*
- *K-NPR Requirement*	*1,092*
- *K-DTF Requirement*	*73*
MIFIDPRU 4 Own Funds Requirement	**5,440**

5.2 Approach to Assessing the Adequacy of Own Funds

Oppenheimer is subject to MIFIDPRU 7 which requires firms to use the Internal Capital Adequacy and Risk Assessment ("ICARA") process to identify whether they comply with the Overall Financial Adequacy Rule ("OFAR"). The ICARA process is the collective term for the internal systems and controls which a firm must operate to identify and manage potential harms which may arise from the operation of a firm's business, and to ensure that its business can be wound down in an orderly manner. The OFAR requires that 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:

- 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
- The Firm's business can be wound down in an orderly manner, minimising harm to consumers or markets.

The adequacy of the ICARA process will be assessed at least on an annual basis, or more frequently if there is a material change in the business model/risk profile.

Additional Own Funds Requirement

The additional own funds requirement is the amount of capital identified by Oppenheimer that is necessary to mitigate risks to ensure the viability of the Firm throughout economic cycles and to ensure it can be wound down in an orderly manner. Within the ICARA, Oppenheimer identifies, and measures risk of harms faced by the Firm and considers these risks with regards to its ongoing operations and wind-down. The Firm then determines the degree to which systems and controls alone mitigate risk of harm and the risk of a disorderly wind-down. Oppenheimer is currently a Non-SNI Firm and therefore this is a standalone assessment.

Ongoing Operations

As a non-SNI Firm, Oppenheimer has assessed all material harms posed to clients, the market and itself resulting from its ongoing operations, taking into consideration the existing controls in place.

Recovery Planning

Recovery planning is conducted to ensure that appropriate recovery actions have been identified that, if necessary, the Firm would look to cut costs wherever possible and increase the own funds and/or liquid assets through an injection of capital to avoid breaching thresholds.

Wind Down

Wind-down planning has been performed in order to identify potential scenarios that could cause a need to wind down the business, and to determine the level of resources that the Firm would require to wind down in an orderly manner. As part of the wind-down plan, Oppenheimer has considered no reliance on the Group and has considered the most likely scenario to initiate a wind down would be due to the strategic operational decision by the Board. Appropriate triggers have been identified which would lead to a Board resolution of activating the wind down plan, which are continually monitored. The Firm has calculated the total wind down cost on a net basis. During the wind down period the Firm would intend to liquidate all of the assets within the business.

The wind-down plan is reviewed and challenged by the Board at least annually.

Overall Financial Adequacy Rule (OFAR)

Oppenheimer adopts a 10% buffer ('early warning indicator') over its own funds requirement in order to maintain a healthy own funds surplus above the requirement. If Oppenheimer triggers this warning, then the FCA would expect a dialogue to take place between themselves and the Firm based on the information provided in the notification to understand the reason for decline in the Firm's own funds and the Firm's plans to rectify this.

The below table shows the OFAR as at 31 December 2023, including the own funds threshold requirement:

OFAR as at 31 December 2023	**($000's)**
Own Funds	
Common Equity Tier 1	7,646
Additional Tier 1	
Tier 2	2,630
Total Regulatory Capital	10.276
Own Funds Requirement	
Permanent Minimum Requirement **(A)**	956
Fixed Overhead Requirement **(B)**	5,440
K-factor Requirement **(C)**	1,206
Higher of (A), (B) or (C)	
Assessment from ongoing operation	
As per Risk Assessment carried out through the ICARA **(D)**	2,484
Assessment from wind-down	
As per wind down planning **(E)**	5,440
Own Fund Threshold requirement	
Higher of (A), (D) or (E)	**5,440**
Early Warning Indicator (110%)	5,984
Capital Adequacy Surplus	**4,293**

6. Remuneration (MIFIPRU 8.6)

Oppenheimer has a Remuneration Policy in place which is in accordance with the relevant rules and guidance for the Firm's remuneration code as contained within the FCA's SYSC Sourcebook of the FCA's Handbook.

The Remuneration Code (the "RemCode") covers an individual's total remuneration - fixed and variable. The Firm incentivises staff through a combination of the two.

Senior management is responsible for setting the Remuneration Policy Statement for all staff and the compliance oversight officer is a member of the senior management team.

Oppenheimer's remuneration policy is designed to ensure that it complies with the RemCode and that its compensation arrangements:

1. Are consistent with and promote sound and effective risk management;
2. Do not encourage excessive risk taking;
3. Include measures to avoid conflicts of interest;
4. Are in line with the Firm's business strategy, objectives, values and long-term interests; and
5. Are on a gender-neutral basis.

Proportionality

The FCA has sought to apply proportionality with respects to Firm's disclosures. Oppenheimer's remuneration policies and practices (collectively referred to as 'Remuneration Practices'), along with the disclosure, are appropriate and proportionate to the nature, scale and complexity of the risks inherent in the business model and the activities of the Firm.

Summary of the Firm's approach to remuneration for all staff, including the decision-making procedures and governance in adopting the remuneration code:

- Oppenheimer's Remuneration Policy has been adopted by the Firm's Senior Management team. Senior Management has overall responsibility for overseeing its implementation. Senior Management conduct, at least annually, a review of whether the implementation of its Remuneration Practices complies with the MIFIDPRU Code. This was last updated in December 2023.
- The Firm's CEO determines and recommends all remuneration, which is then approved by the Remuneration Committee. MRT's remuneration is approved by the Remuneration Committee.
- The Firm's Head of Risk & Operations will provide an annual compensation-related risk assessment to the Remuneration Committee.
- The Firm's general approach to conflicts of interests is set out in its Conflicts of Interest and Informational Barriers Policy, as updated as necessary.
- The Remuneration Committee recognises the importance of using an independent Remuneration consultant that is appropriately qualified and provides challenge to the Firm. The independent Remuneration consultants are currently Objectivus.
- The Firm acknowledges that it has statutory duties in relation to equal pay and non-discrimination and is committed to complying with those duties in relation to the Remuneration Policy and its general Remuneration Practices.
- The Firm has established, implemented and maintains gender neutral Remuneration Practices in accordance with the requirements of the MIFIDPRU Code.
- Oppenheimer's ability to pay variable remuneration is based on the Firm's overall performance and takes into account both the capital and liquidity regulatory requirements.
- The Firm has developed a Conduct Review performance assessment framework to help provide greater definition to, and transparency regarding, the key factors considered by the Remuneration Committee to assess certain aspects of the Firm's annual performance.

Key characteristics of the remuneration policies and practices:

- The Firm ensures that the fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to enable the operation of a fully flexible policy on variable.
- Variable compensation terms will differ depending on the role and seniority of the employee and will take into account the quality of services provided to customers as well as revenue targets being achieved.
- The Firm ensures that Material Risk Takers performance-related variable remuneration is based on a combination of the assessment of the performance of the individual, the business unit concerned and the overall results of the Firm.
- When assessing the induvial performance of all staff, the Firm takes into account both financial and non-financial criteria.
- Determination of the variable remuneration includes adjustments for all types of current and future risks and the cost of the capital and liquidity required. When considering all types of current and future risks, both financial and non-financial risks are considered on an ex-ante and ex-post basis.
- The Firm distinguishes between criteria for setting fixed and variable remuneration, the various components of remuneration are shown below:

Fixed remuneration

Fixed remuneration is made up of basic salary, pension and benefits in kind. The Firm has a salary approach to ensure consistency in salary levels and to achieve an appropriate balance between fixed and variable remuneration. The CEO, with input from Human Capital Management, determine all base salaries and any revisions to fixed or variable pay will be considered by the Remuneration Committee.

Variable remuneration

For employees with total remuneration and variable remuneration above specific thresholds, variable remuneration is generally paid in a combination of cash (bonus) and equity-based remuneration. In general, the portion paid in the form of an equity-based award increases as variable remuneration increases and, for Material Risk Takers. The variable remuneration programme is flexible to allow the Firm to respond to changes in market conditions and to maintain its pay-for-performance approach. Variable remuneration is discretionary (even if paid consistently over a period of years) and is subject to the following ratios:

- For non-MRT staff: Variable Remuneration will not exceed 750% of Fixed Remuneration.
- For MRT staff who have control functions: Variable Remuneration will not exceed 500% of Fixed Remuneration, unless approved by the shareholder.

6.1 MRT Remuneration

Based on its size and an assessment of the criteria in SYSC 19G.1.1 of the MIFIDPRU Remuneration Code, the Firm is not subject to certain rules relating to the pay-out of MRT variable remuneration. Oppenheimer is therefore subject to the "basic" MIFIDPRU Remuneration Code requirements in respect of all MIFIDPRU staff and the "standard", but not the "extended", requirements in respect of its MIFIDPRU MRTs.

The Firm has identified 6 employees as 'Material Risk Takers' based on the provisions laid out under SYSC 19G.5.1R.

The Firm ensures that MRT performance-related variable remuneration is based on a combination of the assessment of the performance of the individual, business units and the overall performance of the firm, as applicable. The Firm uses a deferred share scheme in respect of Oppenheimer Holdings, to ensure continuity of each MRT's performance.

All Variable remuneration granted to Material Risk Takers is generally subject to forfeiture or recapture in the event of a "material failure of risk management", or in the event that the employee engages in "serious misconduct", at any time during the three-to-five-year period after grant (equity-based awards) or payment (cash).

Guaranteed Variable Remuneration

The Firm believes that multi-year guarantees should be avoided entirely to avoid misaligning remuneration and performance, and guaranteed variable remuneration in employment contracts should be used only in exceptional circumstances (for example, for certain new hires).

Aggregate quantitative information on remuneration:

With respect to the financial year ended 31 December 2023, the total amount of remuneration awarded to all staff interpreted under SYSC 19G.1.24G was as follows:

31-Dec-23	Senior Management	Other MRTs	All other Staff
	£,000	£,000	£,000
Total number of persons	4	2	69
Fixed remuneration	680	386	7,604
Variable remuneration	897	368	7,137
Severance awards	0	0	110
- Highest single award			
Total Remuneration	**1,577**	**754**	**14,851**