



Own funds

The firm has reconciled and described its own funds using the following template:

MIFIDPRU8_Annex1R_20220101.pdf

Own funds requirements

The FOR is calculated using the firm's unaudited accounts as at 31st March 2024, which were signed off on 31st May 2024.

As per MIFIDPRU 4.5, the firm's FOR is £813,000, which is ¼ of EIM's annual expenditure based on the statutory accounts.

The firm therefore has an £813,000 "own funds" requirement, if no additional capital is allocated through stress testing.

In addition to the above floors, the firm has considered the temporary transitional provisions under MIFIDPRU TP 2 in determining its own funds requirements; however, as the firm holds own funds well in excess of the requirements, the alternative FOR would not benefit from the relief. The firm has therefore decided not to substitute an alternative requirement for its standard PMR and standard FOR. The firm will carry out a recalculation of the alternative FOR at least quarterly when it reports information on its own funds requirement to the FCA to reconfirm this particular assessment.

To meet the own funds requirement, the firm has "cash at bank" that falls within the Common Equity Tier 1 capital requirement of £1,127,522 as at 31st March 2024. This includes cash at bank, gilts and debtors. This satisfies the prescribed capital ratios under MIFIDPRU 3.2.2.

Therefore, in a base case (business-as-usual) scenario, the management body is satisfied that the firm will adequately meet the full own funds requirement and, remain in compliance with the OFAR over the transitional period.

Remuneration

Remuneration Committee: EIM has a remuneration committee which meets at least twice a year to discuss all reward related matters.

External consultants: No external consultants have been engaged on remuneration matters.

Personal reviews of the partners and other Code Staff are carried out at least annually to assess their performance in meeting individual and strategic objectives. These reviews are reflected in pay reviews as well as in awards of variable pay.

Pay and performance: The policy in relation to the various elements of remuneration structures for executive directors and other Code Staff is set out below:

Basic pay for partners and other Code Staff will be market related, ensuring a competitive salary that fairly reflects the market rate, skill, experience and expertise for the role.

Variable remuneration of partners and other Code Staff is primarily based on the firm's financial and service performance to motivate and reward success although an element may be based on the achievement of personal objectives and key performance measures.

All Code Staff have the benefit of being members of the group Income Protection and Life Cover schemes.

Aggregate remuneration data:

Details of remuneration paid to Partners and other Code Staff (9 in total during the period) are as follows:

Total fixed pay	£ 761,113
Total variable pay	£1,408,627
Total	£2,169,740

May 2024