

# MIFIDPRU 8 DISCLOSURE

## AS AT 31 DECEMBER 2025

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## 1. Introduction and Disclosure

### Introduction

Under MIFIDPRU 8, the purpose of these disclosures is to provide stakeholders and market participants with insight into the Firm's governance, risk management, capital position and remuneration practices. The disclosures are intended to support transparency and enable stakeholders to make informed assessments about the Firm.

### Scope and Frequency of Disclosure

Basis Capital Markets UK Ltd ("Basis" or "the Firm") made these disclosures on a solo basis in accordance with MIFIDPRU 8.1.7R. The Firm publishes its MIFIDPRU disclosures at least annually, as at its Accounting Reference Date ("ARD"), and on the same date it publishes its annual financial statements.

### Proportionality

The level of detail in these disclosures is proportionate to the nature, scale and complexity of the Firm's business model, internal organisation and activities.

### Medium and Location

These disclosures are published on the Firm's website ([www.basiscap.com](http://www.basiscap.com)) and are available free of charge.

### Changes from Prior Periods

The Firm confirms that there was no material changes to the information disclosed compared with the previous disclosure period.

### Verification

These disclosures have not been audited and do not constitute financial statements. They should not be relied upon as such.

## 2. Background to the Firm

### Background

Basis Capital Markets UK Ltd ("the Firm") is incorporated in the United Kingdom and is authorised and regulated by the Financial Conduct Authority as a Non-SNI MIFIDPRU investment firm. The Firm operates as a brokerage firm, historically providing institutional and professional clients with access to financial markets and related execution services. At the accounting reference date, the Firm was in a commercial pause, with no trading activity.

As part of its ICARA process, the Firm assessed the potential harms arising from its activities, business model and operational arrangements. During the period under review, the Firm identified funding dependency risk as a material potential harm, reflecting its reliance on its main shareholder for financial support.

The Firm also assessed business risk and operational risk as part of its ICARA. These risks were monitored through the Firm's governance and control framework, and appropriate mitigants were implemented.

### 3. Risk Management Objectives and Policies (MIFIDPRU 8.2)

#### **Risk Management Overview**

The Firm's risk management objective is to maintain systems and controls that enabled risks to be identified, monitored and managed within the Firm's risk appetite. The Firm's Risk Management Policy set out these systems and controls and was reviewed at least annually.

As a MIFIDPRU investment firm, the Firm is required to establish, implement and maintain adequate risk management policies and procedures to identify the risks arising from its activities, processes and systems, and to adopt effective arrangements to manage those risks in line with its risk appetite.

#### **Link to the ICARA Process**

Through its ICARA process, the Firm assessed its material harms and associated risks. For the period under review, the ICARA identified business risk and operational risk as the Firm's most significant potential sources of harm.

#### **Governance Framework**

The Governing Body had overall responsibility for the Firm's risk management framework and for setting the Firm's risk appetite. It received regular reporting on key risks, emerging risks, and the Firm's compliance with its risk appetite. Senior Management was responsible for implementing the risk management framework and embedding risk management into day-to-day operations.

The Governing Body reviewed the Firm's risk management arrangements at least annually to ensure they remained appropriate and effective. In addition, the SMF16/17 conducted an annual review of the Firm's systems and controls.

#### **Specific Risk Management Considerations**

In accordance with MIFIDPRU 8.2.1R, the Firm considered the following risks and harms:

- **Own Funds** – The Firm did not identify any own funds risks outside its risk appetite. The Firm held sufficient own funds to meet its regulatory requirements, and this position was monitored monthly.
- **Concentration Risk** – The Firm did not identify any concentration risks outside its risk appetite.
- **Liquidity Risk** – The Firm did not identify any liquidity risks outside its risk appetite. Liquidity was monitored daily, with reporting to the Governing Body covering compliance with the Basic Liquid Assets Requirement and the Liquid Assets Threshold Requirement.

The Firm considers these arrangements proportionate to the nature, scale and complexity of its business model.

## 4. Governance Arrangements (MIFIDPRU 8.3)

### Governance Arrangements

The Governing Body is responsible for the oversight of the Firm's strategic direction, risk management, internal governance and financial reporting. In accordance with MIFIDPRU 7.3, the Governing Body ensures that it collectively possessed the knowledge, skills and experience necessary to understand the Firm's activities, risks and regulatory obligations.

The Governing Body also ensures that its members commit sufficient time to their roles and that responsibilities were allocated clearly and appropriately, with suitable segregation of duties to avoid conflicts of interest. These responsibilities are documented in the Firm's Statements of Responsibilities, job descriptions and Certification Staff Register.

The Firm assesses, at least annually, whether the Governing Body continues to meet the standards of collective competence, good repute, honesty, integrity and independence required under MIFIDPRU 7.3.

The Firm also considers whether the Governing Body had an adequately broad range of experience and whether its composition remained appropriate for the nature, scale and complexity of the Firm's business.

As part of this process, the Governing Body reviewed the Firm's governance arrangements during the period and confirmed that they remained appropriate and effective.

### Management Body Composition as at 31 December 2025

As at the accounting reference date, the Firm's management body consisted of one Executive Director, Mr. Barry Crawford, who held the SMF1 (Chief Executive) and SMF3 (Executive Director) functions. Daniel Marcus served as Non-Executive Chair until 31 December 2025.

### Management Body – External Directorships

As at the accounting reference date, the Firm's management body had the following number of directorships outside the Firm:

Name	Role at 31 December 2025	Executive Directorships	Non-Executive Directorships
Barry Crawford	Executive Director	0	0
Daniel Marcus	Non-Executive Chair	1	2

The information above does not include directorships held in organisations that do not pursue predominantly commercial objectives, those held within the same group, or within an entity in which the Firm has a qualifying holding.

The Firm is not a significant SYSC Firm and, therefore, does not need to comply with SYSC 4.3A.6R in relation to the number of directorships a member of the management body is permitted to hold.

### Risk Committee

The Firm does not have a Risk Committee, and as a non-significant firm is not required to establish one under MIFIDPRU 7.1.4R.

**Diversity**

The Firm recognises the benefits of diversity within its workforce and management body. The Board considers diversity when assessing potential appointments, including Board roles. Diversity is supported through hiring practices, senior management objectives, training and awareness initiatives, and Board-level oversight. The Firm recognises this as an area of ongoing development for both the Firm and the wider financial services industry and will report annually on progress.

## 5. Own Funds (MIFIDPRU 8.4)

The Firm is a Non-SNI MIFIDPRU Investment Firm. The Firm's own funds calculated as at the accounting reference date, 31 December 2025:

Composition of regulatory Own Funds			
	Item	Amount (£k)	<sup>1</sup>
1	OWN FUNDS	542	Line 12
2	TIER 1 CAPITAL	542	Line 12
3	<b>COMMON EQUITY TIER 1 CAPITAL</b>	<b>542</b>	Line 12
4	Fully paid up capital instruments	4	Line 9
5	Share premium	863	Line 10
6	Retained earnings	(325)	Line 11
7	Accumulated other comprehensive income	0	
8	Other reserves	0	
9	Adjustments to CET1 due to prudential filters	0	
10	Other funds	0	
11	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	0	
19	CET1: Other capital elements, deductions, and adjustments	0	
20	ADDITIONAL TIER 1 CAPITAL	0	
21	Fully paid up, directly issued capital instruments	0	
22	Share premium	0	
23	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	0	
24	Additional Tier 1: Other capital elements, deductions, and adjustments	0	
25	TIER 2 CAPITAL	0	
26	Fully paid up, directly issued capital instruments	0	
27	Share premium	0	
28	(-) TOTAL DEDUCTIONS FROM TIER 2	0	
29	Tier 2: Other capital elements, deductions, and adjustments	0	

<sup>1</sup> Cross-reference to line numbers in the Own Funds reconciliation table below

Own Funds: Reconciliation of regulatory own funds to the balance sheet in the audited financial statements.				
Figures in GBP thousands (£k) unless noted otherwise.				
		a	b	c
		Balance sheet as in published / audited financial statements	Under regulatory scope of consolidation	Cross-reference to template OF1 (above)
		As at period end	As at period end	-
<b>Assets: Breakdown by class according to the audited financial statements</b>				
1	Tangible Assets	0		
2	Stocks	0		
3	Debtors	20		
4	Cash at bank and in hand	581		
<b>5</b>	<b>Total Assets</b>	<b>601</b>		
<b>Liabilities: Breakdown by class according to the audited financial statements</b>				
6	Creditors: amounts due within one year	59		
7	Creditors: amounts due after more than one year	0		
<b>8</b>	<b>Total Liabilities</b>	<b>59</b>		
<b>Shareholders' Equity</b>				
9	Called up Share Capital	4		Line 4
10	Share Premium Account	863		Line 5
11	Profit & Loss Reserves	(325)		Line 6
<b>12</b>	<b>Total Equity</b>	<b>542</b>		Line 3

## 6. Own Funds Requirement (MIFIDPRU 8.5)

The Firm's Own Funds Requirements as of the reference date 31 December 2025 are:

K-Factor Requirements	Amount (£k)
K-AUM	0
K-CMH	0
K-ASA	0
Sum of K-AUM, CMH, and K-ASA	0
K-COH	0
K-DTF	1
Sum of K-COH and K-DTF	1
K-NPR	0
K-CMG	0
K-TCD	0
K-CON	0
Sum K-NPR, K-CMG, K-TCD, and K-CON	0
Total K-Factor Requirement	1
Fixed Overheads Requirement	279

At the accounting reference date, the Own Funds (as set out above) were £542k; therefore, the Firm meets the above Own Funds Requirements.

### Overall Financial Adequacy Rule

The overall financial adequacy rule requires the Firm to, at all times, hold own funds and liquid assets which are adequate, both as to their amount and their quality, to ensure that:

- The Firm is able to remain financially viable throughout the economic cycle, with the ability to address any potential material harm that may result from our ongoing activities; and
- The Firm's business can be wound down in an orderly manner, minimising harm to consumers or other market participants.

To ensure compliance with the overall financial adequacy rule, the Firm regularly assesses the level of own funds to ensure that it holds at least the higher of:

- The amount of own funds that the Firm requires at any given point in time to fund its ongoing business operations, considering potential periods of financial stress during the economic cycle; and
- The amount of own funds that the Firm would need to hold to ensure that it can be wound down in an orderly manner.

The Own Funds Threshold Requirement is the amount of own funds the Firm needs to hold at any given time to comply with the overall financial adequacy rule.

#### **Own Funds Threshold Requirement (OFTR)**

The Firm's Own Funds Threshold Requirement was determined in accordance with MIFIDPRU 7.4 and reflected the highest of the:

- Permanent Minimum Capital Requirement (£470k)
- Fixed Overheads Requirement (£279k)
- Total K-Factor Requirement (£1k)
- Own funds required to support ongoing business operations as assessed in the ICARA (£101k)
- Own funds required to support an orderly wind-down (£200k)

As the Permanent Minimum Capital Requirement of £470k was the highest of these amounts, the Firm's Own Funds Threshold Requirement as at 31 December 2025 was £470k.

As at the date of these disclosures, the Firm meets the overall financial adequacy rule as set out below:

Own Funds	Amount (£k)
Own Funds (as per the above)	542
Own Funds Requirements	Amount (£k)
Permanent Minimum Capital Requirement	470
Total K-Factor Requirement	1
Fixed Overheads Requirement	279
Own Funds Requirement (OFR)	470
Own Funds Threshold Requirement (OFTR) – higher of:	
Own Funds for Ongoing Business Operations (per ICARA)	101
Own Funds required for Wind Down (per Wind-Down plan)	200
<b>Own Funds Threshold Requirement (OFTR)</b>	<b>470</b>

Although the ICARA-derived threshold is £200k, the PMR of £470k is higher and therefore sets the OFTR.

## 7. Remuneration (MIFIDPRU 8.6)

### **Remuneration Policy and Framework**

The Firm's remuneration policy is designed to promote sound and effective risk management and does not encourage risk-taking that exceeds the Firm's risk appetite. The policy is aligned with the Firm's business strategy, objectives, values and long-term interests.

The Firm applies the MIFIDPRU Remuneration Code in a manner that is proportionate to the nature, scale and complexity of its activities. The Firm's remuneration arrangements consist of fixed remuneration only. The Firm does not operate any variable remuneration schemes, performance-related bonus arrangements or commission-based structures.

The Governing Body is responsible for overseeing the Firm's remuneration policy and ensuring that it remains appropriate and compliant with the MIFIDPRU Remuneration Code.

#### Material Risk Takers (MRTs)

For the period under review, the Firm identified three individuals as Material Risk Takers in accordance with MIFIDPRU 7.4 and SYSC 19G. These comprised the Firm's Chief Executive / Executive Director (SMF1/SMF3), the Non-Executive Chair (SMF9), and one Certified Function (Client Dealing) role whose responsibilities were assessed as having a material impact on the Firm's risk profile.

The Firm's remuneration arrangements for MRTs consisted of fixed remuneration only. No variable remuneration, retention awards, guaranteed variable remuneration or severance payments were made.

#### Remuneration Awarded During the Financial Year

During the year ended 31 December 2025, the Firm paid fixed remuneration only. No variable remuneration, retention awards, guaranteed variable remuneration or severance payments were made.

The table below sets out the total remuneration awarded to staff during the period, broken down by senior management and all other staff, in accordance with MIFIDPRU 8.6.11R.

Element of Compensation	Firm Total (£k)	Variable	
		Vested	Unvested
Total Remuneration	320	-	-
Fixed Remuneration	320	-	-
Variable Remuneration	0	-	-
Total Number of MRTs	3	-	-

The Firm has not paid guaranteed variable remuneration or severance payments during the period of this report.

## 8. Changes Since the Accounting Reference Date

Since 31 December 2025, the Firm's governance and staffing arrangements have changed. These changes occurred after the period covered by this disclosure and are therefore not reflected in the information presented above. The Firm confirms that its current governance and organisational arrangements continue to remain appropriate for the nature, scale and complexity of its business.

## 9. Investment Policy (MIFIDPRU 8.7)

The Firm meets the conditions in MIFIDPRU 7.1.4R and, therefore, does not need to make any disclosures in relation to its Investment Policy.