MENASECURITIES LTD

RISK MANAGEMENT (PILLAR III) DISCLOSURES IN ACCORDANCE WITH PART EIGHT OF EUROPEAN REGULATION 575/2013 FOR THE YEAR ENDED 31 DECEMBER 2020

April 2021

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Specific references to articles in the Regulation

REGULATION (EU) No 575/2013 *[Part Eight]*

CRR Ref.	High-level summary	Compliance reference
General Principles		
Article 431	Scope of disclosure requirements	Section 1.1
Article 432	Non-material, proprietary or confidential information	Compliance with this provision is covered through the Pillar III Disclosures
Article 433	Frequency of Disclosure	Section 1.1
Article 434	Means of Disclosure	Section 1.1
Technical Criteria on transparency and disclosure		
Article 435	Risk management objectives and policies	Section 2
Article 436	Scope of application	Section 1.1
Article 437	Own funds	Section 3.1
Article 438	Capital requirements	Section 3.2
Article 439	Exposure to counterparty credit risk (CCR)	Section 3.2.1 – Under Credit Risk
Article 440	Capital Buffers	N/A
Article 441	Indicators of global systemic importance	N/A
Article 442	Credit risk adjustments	Section 3.2.1
Article 443	Unencumbered assets	N/A
Article 444	Use of ECAIs	Section 3.2.1
Article 445	Exposure to market risk	Section 3.2.2
Article 446	Operational risk	Section 3.2.3
Article 447	Exposure in equities not included in the trading book	N/A
Article 448	Exposure to interest rate risk on positions not included in the trading book	N/A
Article 449	Exposure to securitization positions	N/A
Article 450	Remuneration disclosures	Section 4
Article 451	Leverage	N/A
Qualifying requirements for the use of particular instruments or methodologies		
Article 452	Use of the IRB Approach to credit risk	N/A
Article 453	Use of credit risk mitigation techniques	Section 3.2.1
Article 454	Use of the Advanced Measurement Approaches to operational risk	N/A
Article 455	Use of Internal Market Risk Models	N/A

1. Introduction

This report pertains to the “Disclosure and Market Discipline of Investment Firms” regulatory obligation, in accordance with the provisions of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the council of 26 June 2013 on prudential requirements for credit institutions and investment firms (hereinafter the “CRR” or “Regulation”) and paragraph 32(1) of DI144-2014-14 of the Cyprus Securities and Exchange Commission for the prudential supervision of investment firms (hereinafter the “Directive”).

Under this regulatory obligation Menasecurities Ltd is obliged to provide information on its risk management, capital structure, capital adequacy, its risk exposures as well as the most important characteristics of the Company’s corporate governance including its remuneration system. The scope of these disclosures is to promote market discipline and to improve transparency of market participants.

The information that the Company discloses herein relates to the year ended 31 December 2020.

1.1 Scope

In accordance with the Article 433 of the Regulation (EU) No.575/2013, financial institutions are required to publish the disclosures, required in by Part Eight of the Regulation (EU) No.575/2013 at least on an annual basis.

The Company is required according to the Directive DI 144-2014-14 of CySEC (the “Directive”) to provide a copy of the auditor’s verification report to CySEC, five months after the end of each financial year, the latest. Thus, for assessing the appropriateness of the Company’s Pillar III Disclosures, the Company appoints its external auditors to express an independent conclusion in relation to the fair presentation of the Disclosures, in all material respects, in accordance with the requirements of the Regulation.

The Pillar III Disclosures document will be uploaded to the Company’s website within four months from the end of each financial year and the independent auditors’ verification report will be submitted to the CySEC the latest within five months from the end of each financial year. This Report should be read in conjunction with the financial statements of the Company for the year ended 31 December 2020 which contain supplementary information relating to the requirements of the Directives.

After careful consideration, the Management Body and Senior Management (jointly the “Management”) have decided that given the size and complexity of the Company, it is not necessary to produce Pillar III Disclosures more frequently than annually.

As at 31 December 2020, the Company did not own any subsidiaries. These disclosures have therefore been prepared on a solo basis. Thus, the Company does not foresee any material practical or legal impediment to the prompt transfer of own funds or repayment of liabilities to its parent.

1.2 Company Overview

Menasecurities Ltd (the “Company”) is registered in Cyprus, with Registration Number HE357630 as a limited liability company under the Companies Law, Cap. 113. Menasecurities Ltd, with License number 370/18, has been licensed on the 05th of November 2018.

The Company has the license to provide the following investment and ancillary services:

Investment Services
Reception and transmission of orders in relation to one or more financial instruments
Execution of Orders on Behalf of Clients

Ancillary Services
Safekeeping and administration of financial instruments for the account of clients, including custodianship and related services such as cash/collateral management and excluding maintaining securities accounts at the top tier level ("central maintenance service"), as referred to in point 2 of Section A of the Annex to Regulation (EU) No 909/2014
Granting credits or loans to an investor to allow him to carry out a transaction in one or more financial instruments, where the firm granting the credit or loan is involved in the transaction
Foreign exchange services where these are connected to the provision of investment services

1.3 Legal and Regulatory Framework

The legal framework that governs the procedures required to be followed in the year under by the Company is comprised of the following:

i. Law 87(I)/2017 which provides for the provision of investment services, the exercise of investment activities, the operation of regulated markets and other related matters
ii. Directives issued by the Commission for the regulation of any matter in Law 87(I)/2017 as amended which is apt to or is susceptible to determination.
iii. Directive DI144-2014-14: For the prudential supervision of Investment Firms;
iv. Regulation (EU) No. 575/2013: Capital Requirements Regulation;
v. Directive DI144-2014-15: On the discretions of the CySEC arising from Regulation (EU) No. 575/2013;
vi. Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC – Capital Requirements Directive IV;
vii. Circulars issued pursuant to the Law;
viii. Law 188(I)/2007 as amended for the Prevention and Suppression of Money Laundering Activities;
ix. Directive for the Prevention and Suppression of Money Laundering and Terrorist Financing;
x. Commission Delegated Regulation (EU) 2017/565;
xi. Other Delegated Regulations

The Pillar III Disclosures report of the Company sets out both quantitative and qualitative information required in accordance with Part Eight of Regulation (EU) No 575/2013 of the European Parliament (Articles 431 to 455 of the Capital Requirements Regulation, CRR) and of the council of 26 June 2013 on prudential requirements for credit institutions and investment firms (hereinafter the "Regulation") and paragraph 32(1) of DI144-2014-14 of the Cyprus Securities and Exchange Commission for the Prudential Supervision of Investment Firms.

The CRR is based on three pillars:

- Pillar I has to do with the standards that set out the minimum regulatory capital requirements required for credit, market and operational risk;
- Pillar II covers the Supervisory Review Process which assesses the internal capital adequacy processes. Under this pillar, investment firms have to evaluate and assess their internal capital requirements in light of any specific risks not captured, or not adequately captured, in the Pillar I; and

- Pillar III covers transparency and relates to the obligation of investment firms to publicly disclose information with respect to their risks, their capital and the risk management structures, policies and procedures they have in place.

2. Risk Management Objectives and Policies

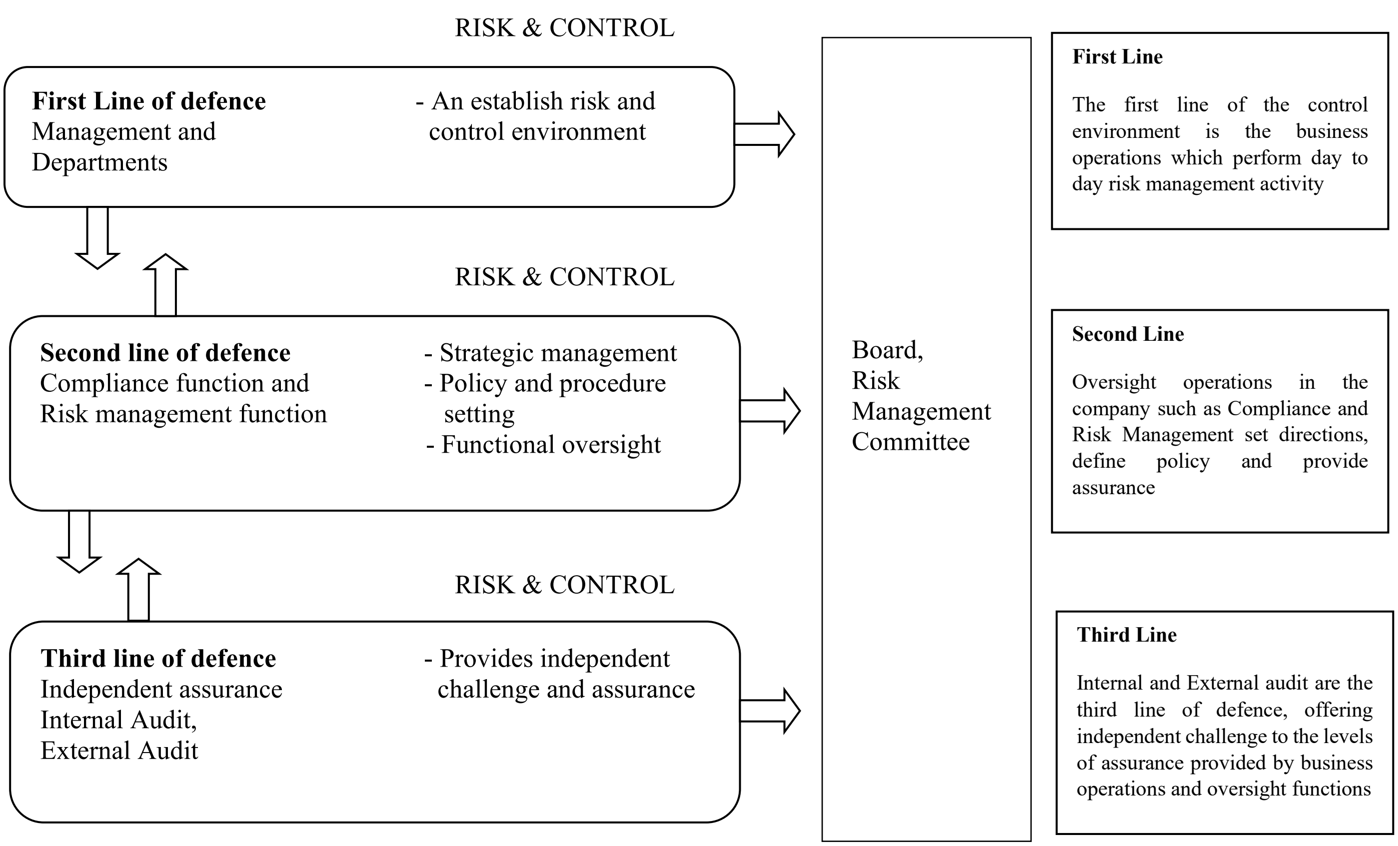
2.1 Company's risk control environment

The Company has established an internal control framework to examine, evaluate and report on financial and other controls on services/activities/operations provided/performed by the Company.

The Board of Directors is responsible to maintain an efficient system of internal control framework in order to safeguard shareholders' investments, clients and the Company's assets. Directors should, at least once a year, conduct a review of the effectiveness of the Company's overall control environment.

The overall control environment of the Company as shown in below diagram illustrates the control mechanisms implemented by the management and departments (first line of defense), control mechanisms implemented by the compliance function and risk management function (second line of defense) and independent assurance that other lines of Defense are functioning effectively provided by the Internal and external audit (third line of defense).

2.1.1 The Three Lines of Defence



The Company's Risk Management function is one of the primary lines of defence within the Company as it supports the governance body in management and control.

First line of defence: Management and Departments – risk and control in the business

Company's Board of Directors is responsible for ensuring that a risk and control environment is established as part of day-to-day operations. Line management are adequately skilled and trained to create risk definitions and make risk assessments. The risk profile is proactively reviewed, updated and modified for changes to the business environment and emerging risk changes. Active risk management and periodic reporting on risks is crucial to quick identification and response.

To ensure that the risk framework is able to respond quickly, the management makes best use of early warning indicators to identify, evaluate and respond to changes quickly.

The first line of defence provides management assurance, and informs the Compliance Officer and the Risk Manager by identifying risks and business improvement actions, implementing controls, and reporting on progress.

Second line of defence: The oversight function

The second line of defense consists of the risk management and compliance independent functions that establish risk management policies, set standards for managing risk, enforce limit structures and provide appropriate oversight over specific risk areas. These functions determine the appropriate framework for managing risks and ensure it is implemented by business unit managers and process owners effectively and consistently across the Company.

These Functions set company boundaries by drafting and implementing policies and procedures. They are also responsible for guidance and directions for implementing their policies and for monitoring their proper execution. They provide oversight over business processes and risks.

Align strategy, risk and policies – these oversight functions are thus responsible for designing policies, setting directions, introducing best practice, ensuring compliance and providing assurance oversight for board members and Risk Management Committee.

Third line of defence: Provides Independent assurance

The third line of defence consists of the independent Internal Auditor and the independent External Auditor which offer independent challenge to the levels of assurance provided by business operations and oversight functions. They provide an independent review of the overall Company's risk controls and risk management process.

The Internal Auditor reviews and provides his independent opinion regarding the effectiveness and adequacy of Company's internal controls, measures, processes and procedures and provides his recommendations for corrective actions to be implemented to rectify identified deficiencies.

The External Auditors provide their independent opinion on the truth and fairness of Company's Financial Statements, and assess Company's ability to continue as a going concern. Among others the External Auditors review the risks faced by the Company as well as the measures and controls implemented by the Company for managing and mitigating these risks.

2.1.2 Description of the overall control environment

Attached to this disclosure is the Organizational structure of the Company (Appendix 1)

Risk Management Function

The Risk Management Function is responsible for the determination, evaluation and efficient management of the risks inherent in the provision of the investment and ancillary services by the Company and also for the development of policy regarding the assumption, follow up and management of risks including guidelines regarding possible risk exposure and acceptable risk levels.

The Risk Management Function is also responsible for the scrutiny of the Company's compliance with the arrangements, processes and mechanisms adopted to manage the risks relating to the Company's activities processes and systems in light of that level of risk tolerance and for the scrutiny of the adequacy and effectiveness of measures taken to address any deficiencies in policies, procedures, arrangements, processes and mechanisms, for managing risks relating to Company's activities, processes and systems, including failures by the relevant persons of the Company to comply with such arrangements, processes and mechanisms or follow such policies and procedures.

It is also responsible for tracking down and scrutiny of important abrupt changes in the Company's financial results, procedures or personnel, as well as the regular control of the volume and causes underlying deviations between predictions and corporate end results, as submitted to the Company's board of directors or to any other competent bodies thereof, so as to render possible the assessment of the performance of each of the Company's departments by reference to the goals set.

The Company has a written Risk Management Policy in place.

The Risk Manager of the Company participates to all the Risk Management meetings of the Company. The annual Risk Management report is also provided to the Compliance Officer who ensures that the findings and recommendation of the Risk Manager have been taken into consideration by the senior management and are properly implemented.

The staffing and the technical resources of the Risk Management function during the year under review were considered adequate for the identification and mitigation of risks associated with the Company, based on the level and type of business activities of the Company at the time.

In case additional resources will be required, the Risk Manager shall communicate these needs to the Company's Board of Directors and Senior Management as the Risk Management function operates independently and report directly to senior management and the Board of Directors.

Risk Management Committee

The Risk Management Committee:

- is formed with the view to ensure the efficient management of the risks inherent in the provision of the investment services to Clients, as well as the risks underlying the operation of the Company, in general.
- scrutinize, and decide on various risks associated with the operation of the Company with the view to increase the awareness of, formulate internal policies and measure the performance of the said policies in dealing with the risks associated with the operation of the Company.
- convenes to examine the results of stress tests and assess the various Risks the Company faces.

The Risk Management Committee is responsible for the development of an internal risk management framework and its integration with the Company's decision making process, covering the whole spectrum of the Company's activities and units. In particular to ensure that the Company has clear policy in respect of the assumption, follow up and management of risks duly notified to all interested parties or departments of the Company. This policy ensures that all parties involved in the provision of investment services are aware of: (a) the particular features of each investment service, financial instrument, and risk inherent in the provision of the services and (b) the interrelation between the volume of the projected returns and the gravity of the risks undertaken by the Company.

Hence, the Risk Management Committee is formed with the view to ensure the efficient monitoring of the risks inherent in the provision of the investment services to Clients, as well as the risks underlying the operation of the Company, in general.

The Risk Management Committee consists of two Non-Executive and Independent Directors. During the year 2020, the Risk Management Committee has not convened due to the fact that the Company has no significant operations.

Board of Directors of the Company

The company's board of directors consists of five (5) members. Two executive, two non-executive and independent directors and one non-executive director. The non-executive director was appointed on 15/11/2019.

The Board is responsible for ensuring that the Company complies at all times with its obligations under the Law. In doing so, the Board assesses and periodically reviews the effectiveness of the policies, arrangements and procedures put in place to comply with the obligations under the Law, whilst if needed, takes appropriate measures to address any deficiencies.

The Board ensures that it receives on an annual basis, written reports regarding Compliance, Internal Audit, Money Laundering & Terrorist Financing and Risk Management issues, indicating, in particular, whether the appropriate remedial measures have been taken in the event of any deficiencies.

The Board is also responsible for the monitoring of the internal control mechanisms of the Company to enable the prevention of activities that are outside the scope and strategy of the Company and the prevention of any unlawful transactions, the identification of risks, and the timely and adequate intra- departmental flow of information.

Further to the above responsibilities of the Board, it should be noted that the Board has appointed a Risk Manager to ensure that all the different types of risks taken by the Company are compliant with the Law and the obligations of the Company under the Law, and that all the necessary procedures, relating to risk management are in place and are functional on an operational level on a day to day basis.

The Company's senior management consists of the two Executive Directors who take part in the daily operations of the Company and, where applicable, in the provision of investment and ancillary services, thus fulfilling the 4-Eyes Principle. Non-Executive and Independent Directors monitor the operations of the Company through their participation in the various Board meetings and Committees' meetings, as applicable, and where necessary, request and are granted access to information and reports from the Senior Management of the Company.

Internal Audit Function

The Internal Auditor establishes, implements and maintains an audit plan to examine and evaluate the adequacy and effectiveness of the Company's systems, internal control mechanisms and arrangements. He also issues recommendations based on the result of work carried and verifies compliance with his recommendations. He reports in relation to internal audit matters to Senior Management and the Board of Director's, at least annually.

The Internal Auditor undertakes onsite inspection/visits to examine that adequate policies and procedures, to detect any risk of failure by the Company to comply with its obligations under the Law, as well as the associated risks, have been established, implemented and maintained and that for these purposes, the Company takes into account the nature, scale and complexity of the business of the Company, and the nature and range of investment services and activities undertaken in the course of that business. Furthermore through onsite inspections/visits the Internal Auditor examines whether the responsibilities of each function are discharged properly (i.e. soundly, honestly and professionally). The Compliance Officer ensures that the findings and recommendations of the Internal Auditor have been taken into consideration by the senior management and are properly implemented.

Company has established and maintained an internal audit function which is separate and independent from the other functions and activities of the Company. The Company has appointed a qualified, experienced and independent Internal Auditor. The Internal Auditor reports to the Senior Management and the Board of the Company and is separated and independent from the other functions and activities of the Company.

Compliance Function

The Company has designed its risk management framework to be proportionate to the scale, nature and complexity of its business. Apart from the above described functions – Board of Directors, Risk Management Committee, Risk Management Department and Internal Audit function – other functions involved in Company's risk management framework are the Compliance function, the Anti-Money Laundering Compliance Function and the External Audit function.

In this respect and in compliance with relevant legislation the Company has established and maintains a permanent and effective Compliance Function (Compliance Officer) which operates independently and report to senior management and the Board of Directors. Only few of Compliance Officer's duties are the following:

a) to monitor and to assess the adequacy and effectiveness of the measures and procedures put in place and the actions taken to address any deficiencies in the Company's compliance with its obligations under the Law and the Directive.
b) to advise and assist the relevant persons responsible for carrying out investment services and activities to comply with the Company's obligations under the Law and the Directive.
c) to provide support and assistance to all departments/ units/functions of the Company.
d) to have the necessary authority, resources, expertise and have access to all relevant information.
e) to apply a risk-based approach in order to allocate the function's resources efficiently.

2.2 Information Flow on Risk to the Management Body

The Board is updated regarding any risk issues by the Risk Manager. In addition, it receives reports on internal audit, compliance and money-laundering issues at least annually. The following table presents the main pieces of information provided to the Board on risk-related issues:

Information Flow on Risk to the Management Body			
Report	**Prepared by**	**Submitted to**	**Frequency**
Risk Management Report	Risk Manager	Board, CySEC	Annually
Internal Audit Report	Internal Auditor	Board, CySEC	Annually
Compliance Report	Compliance Officer	Board, CySEC	Annually
AML Compliance Report	AML Compliance Officer	Board, CySEC	Annually
Audited Financial Statements	External Auditor	Board, CySEC	Annually
ICAAP Report	Risk Manager	Board, CySEC	Annually

Capital Adequacy Report	Risk Manager / Head of Accounting	Senior Management / CySEC	Quarterly

2.3 Risk Appetite

The risk appetite defines the amount and type of risk that the Company is able and willing to accept in pursuing its business objectives. These risks include, among others, credit risk, market risk, operational risk, reputational risk and compliance risk. The risks and controls around them and the risk appetite set by the BoD for each risk, are set out in the sections further below. The risk management arrangements, which are in place, are considered to be adequate.

2.4 Number of directorships held by members of the management body

The following table shows the number of positions held by members of the Board of Directors in the various Boards of Directors, as at 31 December 2020, as required by Article 435 (2) of the Regulation (EU) No 575/2013. It shall be noted that directorships in organizations which do not pursue predominantly commercial objectives, are not taken into account for this purpose. Furthermore, executive or non-executive directorships held within the same group, are considered as a single directorship.

Name of Director	Executive	Non-executive	Number* of Executive directorships	Number* of non-Executive directorships
Nicholas Chrysochos	☑	-	1	0
Michael Abou Jaoude	☑	-	1	0
Ievgeniia Mykuliak	-	☑	0	1
Kyriacos Kyriacou	-	☑	1	25
Georgios Papageorgiou	-	☑	0	1

* Including directorship in Menasecurities Ltd

2.5 The recruitment policy for the selection of members of the management body

The management body of the Company is the Board of Directors. The Company's management body includes executive and non-executive directors, as well as independent directors. The Company's Board of Directors has varied experience and background, including management, accounting, finance, banking, investments, risk management, etc. Additionally, the independent directors have a strong background in their field, adding as such value to the Company's Board.

The persons proposed for the appointment should have specialised skills and/or knowledge to enhance the collective knowledge of the Board of Directors and must be able to commit the necessary time and effort to fulfil their responsibilities.

Factors considered in the review of potential candidates include:

- Specialised skills and/or knowledge in accounting, finance, banking, law, business administration or related subject
- Knowledge of and experience with financial institutions ("fit-and-proper")
- Integrity, honesty and the ability to generate public confidence

- Knowledge of financial matters including understanding financial statements and financial ratios
- Demonstrated sound business judgment
- Risk management experience

The Company has established a Board Recruitment Policy (Assessment of the suitability of members of the management body and key function holders Policy) with the aim to identify, evaluate and select candidates as well as ensure appropriate succession. The purpose is when recruiting new members to ensure compliance with the relevant legislation and Company's policies and procedures. Potential member candidates must be qualified with specialized skills, available to commit adequate time and have a sound understanding the company's activities and the main risks. It is to be noted that the appointment of any Director is subject to the prior approval of CySEC which also assesses the competence, fitness and appropriateness of the Directors.

2.6 Diversity policy in relation to the selection of members of the Board of Directors

The Company recognizes the benefits and necessity of an adequately diverse Board of Directors. The objective of the said policy is to promote a balanced working environment where the skills, experience, qualities, professionalism and other backgrounds, such as the temperament and perspective of the directors, irrespective of gender, age, race, ethnicity and other criteria, enable each of them to contribute individually. Recruitment into the Board of Directors combines an assessment of both technical capability and competency skills referenced against the Company's leadership framework. A balance of these differences is considered when determining the optimum composition of the Board of Directors.

The Company has established a Board Diversity Policy with the aim to attract applicants with a wide range of knowledge, skills and backgrounds.

3. Capital Management

The Company's objectives when managing capital are:

i. to comply with the capital requirements set by the regulator (CySEC)
ii. to safeguard the Company's ability to continue as a going concern
iii. to maintain a strong capital base to support the development of the business.

The Company's capital management is designated to maintain the capital base sufficient to keep the confidence of customers, creditors, other market participants and to secure the future development of the Company.

The three pillar model of Basel II places increased emphasis on risk management in addition to providing guidelines for the calculation of capital requirements and defining extended disclosure requirements.

The Basel II consists of three pillars:

Pillar I - Minimum capital requirements

Pillar II - Supervisory review process

Pillar III - Market discipline

Under this framework, the Company needs to monitor its capital base and maintain a strong capital adequacy ratio in order to be able to promote itself as a fully compliant and healthy Company, to support its business and maximize shareholders' value. In this respect, the Capital requirements should not be seen as a restriction of business but rather as a proactive risk management imposed to help both the Company and its client base.

Capital adequacy and the use of the regulatory capital are monitored by the Company's management at least on a monthly basis. The Company submits the relevant capital adequacy forms to its Regulator on a quarterly basis. The Company maintains only Common Equity Tier 1 capital as eligible own funds.

The risk weighted assets are measured by means of a hierarchy of risk weights classified according to their nature and reflecting an estimate of market, operational and credit risks, taking into account any eligible collateral or guarantee.

3.1 Own Funds

The fundamental pillar of the capital adequacy framework, Pillar I, is based on the fact that the Company must have own funds which are at all times more than or equal to the sum of its capital requirements.

The Pillar I regulatory capital of the Company is calculated on the basis of account balances computed and derived based on the adoption by the Company of the International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and the requirements of the Cyprus Companies Law, Cap 113.

The available regulatory capital is classified under two main categories:

1. Tier 1 capital (Common Equity Tier 1 Capital plus Additional Tier 1 Capital);
2. Tier 2 capital.

Common Equity Tier 1 (CET1) capital, which includes share capital, share premium, reduction of share capital reserve, retained earnings including the profit/loss for the year, the revaluation reserve and other reserves. The carrying amount of goodwill and other intangible assets and deferred tax assets that rely on future profitability and do not arise from temporary differences are deducted from CET1 capital. Also deducted from CET1 capital is the Company's contribution to the Investors Compensation Fund, as per the requirements of Circular 162 issued on 10 October 2016 by the Cyprus Securities and Exchange Commission (CySEC) and value adjustments due to the requirements for prudent valuation as per Article 105 of the CRR.

Additional Tier 1 (AT1) capital, which includes hybrid instruments, composed by Convertible Capital Securities 1 (CCS1) and Convertible Capital Securities 2 (CCS2). A portion of the carrying amount of intangible assets is deducted from AT1 capital.

Tier 2 capital, which includes subordinated loan capital. The direct holdings of Tier 2 instruments are deducted from Tier 2 capital. In addition, other transitional adjustments in relation to property revaluation reserve are added to Tier 2 capital.

<u>Tier 1 Capital</u>

Common Equity Tier 1 Capital includes the following:

a) Capital instruments eligible as CET1 Capital (Share Capital + Share Premium)
b) Retained earnings
c) Additional deductions of CET1 Capital due to Article 3 CRR (Investor Compensation Fund)
d) CET1 Capital elements or deductions (other)

The Company deducts its contribution to the Investors Compensation Fund from the Common Equity Tier 1 capital as required by local regulations.

No Additional Tier 1 Capital.

Tier 2 Capital

Tier 2 Capital of the Company is N/A for 2020.

The Capital Base of the Company is consisted solely of Common Equity Tier 1 capital. An analysis of the Company's own funds is presented in Table 1 below:

Own Funds	Year ended 31/12/2020 EUR ('000)
Common Equity Tier 1 Capital	
Share Capital	125
Share Premium	0
Retained earnings	(866)
Non-refundable advances	**860**
Total CET1 (before deductions)	**119**
CET1 Deductions:	
Investor Compensation Fund	(41)
Additional deductions	
Total Tier 1 Capital	**78**
Tier 2 Capital	0
Total Own Funds	**78**

The *Common Equity Tier 1 (CET1) ratio* is the CET1 capital of the Company expressed as a percentage of the total risk weighted assets for covering pillar 1 risks.

The *Tier 1 (T1) ratio* is the T1 capital of the Company expressed as a percentage of the total risk weighted assets for covering pillar 1 risks.

The *Total Capital ratio* is the own funds of the Company expressed as a percentage of the total risk weighted assets for covering pillar 1 risks

	Minimum requirements (%)	Menasecurities Ltd - 31.12. 2020 (%)
CET1 Capital Ratio	4.5	5.46[1]
T1 Capital Ratio	6.0	5.46[2]
Total Capital Ratio	8.0	5.46[3]

The capital adequacy ratio expresses the capital base of the Company as a proportion of the total risk weighted assets. The Company has breached the minimum total capital ratio mentioned above.

[1] CET1 Capital Ratio = Common Equity Tier 1 Capital / Total Risk Exposure * 100 = 65/1193*100 = 5.46
[2] T1 Capital Ratio = Tier 1 Capital / Total Risk Exposure * 100 = 65/1193*100 = 5.46
[3] Total Capital Ratio = Total Capital Ratio / Total Risk Exposure * 100 = 65/1193*100 = 5.46

3.2 Capital Requirements

Further to the requirements of Pillar I (mentioned above), a more detailed approach on managing risks is achieved through the preparation of the Pillar II requirements and more precisely the internal capital adequacy assessment process (ICAAP) report which follows the requirements under Regulation (EU) No. 575/2013 and relevant guidelines issued by CySEC.

The ICAAP report is a key tool for both the Company and the regulatory as it approaches the risk assessment from a holistic perspective enabling the Company to assess as much risks as possible, reducing its residual risk and enabling more precise future growth planning.

The Company's ICAAP is a valuable Risk Management tool which ensures that the Company's Risk Management framework receives the necessary attention from all the related functions of the Company. Moreover, through the ICAAP, the Board of the Company communicates to the personnel of the Company its commitment in cultivating a risk-averse culture within the organization. Through the application of the ICAAP, the Company ensures that:

- the ICAAP and the general risk management practices are embedded in its daily operations and business,
- it has in place an adequate risk management and internal control system which is continuously enhanced and developed in accordance with the risk factors identified through the ICAAP,
- it identifies, monitors, measures, mitigates and controls the risks incurred from the Company's activities,
- material Pillar 2 risks, are quantified and additional capital is allocated against them, or alternatively, additional controls are devised and adopted by the Company as applicable,
- it possesses at any instance the necessary internal capital suitable to its risk profile, which is calculated based on both the minimum capital requirements rules, as well as on internal risk assessment, and is sufficient for mitigating the risks considered by the Company as material,
- appropriate and adequate budget forecasting, financial projections and stress testing is performed so as for the Risk Management process and the capital planning of the Company to be forward looking.

The abbreviation SREP refers to the Supervisory Review and Evaluation Process, which covers all of the processed and measures defined in the ICAAP. Essentially, these include the review and evaluation of the company's ICAAP, the performance of an independent assessment of the company's risk profile and if necessary taking prudential measures and other supervisory actions.

In developing its ICAAP, the Company is required to consider quantitative as well as qualitative criteria such as the establishment of suitable processed.

The Risk Manager is responsible to:

- Design the Company's ICAAP, identify, assess and quantify all material risks surrounding the Company, and propose the allocation of the necessary funds to cover those risks,
- Examine the financial results of the Company, and control the capital adequacy and the large exposures of the Company,
- Calculate, set, review, update and monitor Client and counterparty limits and maintain a record of the said limits.

Capital requirements by Risk Category

CySEC requires each investment firm to maintain a minimum ratio of capital to risk weighted assets of 8% for Pillar I risks plus additional capital buffers as applicable, while it may also impose additional capital requirements for risks not covered by Pillar I.

The Company follows the Standardized Approach for the measurement of its Pillar 1 capital requirements for Credit Risk and Market Risk, and the Basic Indicator Approach for operational risk.

3.2.1 Credit Risk

Credit Risk arises when counterparties fail to discharge their contractual obligations towards the Company, thus reducing the amount of future cash inflows from the financial assets at hand on the Company’s balance sheet. The Company is exposed to credit risk when trading with various counterparties and when placing funds with banks and other parties.

The management of credit risk, including counterparty credit risk, is the primary responsibility of the Risk Management Department, with Senior Management assuming a supervisory role in the process. The Risk Management Department, together with Senior Management, are responsible for establishing policies and procedures which identify, analyze, evaluate, treat and monitor risks during the course of business. Management is also responsible for the establishment of limits on the amount of risk accepted in relation to a borrower, or groups of borrowers, as well as to industry sectors.

The use of a credit assessment framework helps the Risk Management Department mitigate such risks by analyzing a client’s or counterparty’s credit quality based on the evaluation of both financial and non-financial information.

The exposures to any one borrower, including banks and brokers, is further restricted by sub-limits covering on and off-balance sheet exposures and daily delivery risk limits in relation to trading items. Actual exposures against limits are monitored daily.

Furthermore, the Company monitors closely concentration limits, as well as cases where limit utilization is close to a maximum, such that the impact of new transactions on the concentration within the Company is consistent with its risk appetite and Company’s limit structure.

The Company’s risks function is organized on the basis of the type of counterparty in order to distinguish, during the risk management process, the most suitable asset classes for its credit risk calculation:

a) exposures to central governments or central banks
b) exposures to regional governments or local authorities
c) exposures to public sector entities
d) exposures to multilateral development banks
e) exposures to international organizations
f) exposures to institutions
g) exposures to corporates
h) retail exposures
i) exposures secured by mortgages on immovable property
j) exposures in default
k) exposures associated with particularly high risk
l) exposures in the form of covered bonds
m) items representing securitization positions
n) exposures to institutions and corporates with a short-term credit assessment
o) exposures in the form of units or shares in collective investment undertakings ('CIUs');
p) equity exposures;
q) other items.

The table below provides information on the Company’s credit risk exposure, risk weighted asset (“RWA”) and capital requirements as at 31 December 2020 broken down by exposure class:

Credit Risk	Exposure (€ 000's)	Risk Weighted Assets (€ 000's)[4]	Capital Requirements (€ 000's)
Exposures to central governments or central bank	-	-	-
Exposures to regional governments or local authorities	-	-	-
Exposures to public sector entities	-	-	-
Exposures to multilateral development banks	-	-	-
Exposures to international organizations	-	-	-
Exposures to institutions	75	15	1[5]
Exposures to corporates	1	1	0
Retail exposures	1	1	0
Exposures secured by mortgages on immovable property	-	-	-
Exposures in default	-	-	-
Exposures associated with particularly high risk	-	-	-
Exposures in the form of covered bonds	-	-	-
Items representing securitization positions	-	-	-
Exposures to institutions and corporates with a short-term credit assessment	-	-	-
Exposures in the form of units or shares in collective investment undertakings ('CIUs')	-	-	-
Equity exposures	-	-	-
Other items	58	58	5[6]
Total	**135**	**75**	**6**

Credit risk adjustments

Past due and impaired financial assets

Past due items are defined as all loans and advances where the counterparty has failed to make a payment when it is contractually due.

A financial asset or a group of financial assets is deemed to be impaired if there is an objective evidence of impairment as a result of one or more events that has occurred since the initial recognition of the asset (an "incurred loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

The criteria that the Company uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obligor.
- A breach of contract, such as a default or delinquency in interest or principal payments.

[4] These calculations are described in the section "Nominated External Credit Assessment Institutions for the application of the Standardized Approach"
[5] Capital Requirement (for Institutions) = 15*8% = 1
[6] Capital Requirement (for Other items) = 58*8% = 5

- The Company, for economic or legal reasons relating to the borrower's financial difficulty, grants to the borrower a concession that it would not otherwise consider.
- It becomes probable that the borrower will enter into bankruptcy or other financial reorganization.
- The disappearance of an active market for that financial asset because of financial difficulties, or
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
  - ✓ Adverse changes in the payment status of borrowers in the portfolio, and
  - ✓ National or local economic conditions that correlate with defaults on the assets in the portfolio.

The Company first assesses whether objective evidence of impairment exists. For loans and receivables the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced and the amount of the loss is recognized in the statement of comprehensive income. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

As a practical expedient, the Company may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the statement of comprehensive income.

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. As at 31 December 2020, no financial assets, loans or receivables, or trade and other receivables, were past due or impaired.

<u>Nominated External Credit Assessment Institutions for the application of the Standardized Approach</u>

For the purposes of applying the Standardized Approach, institutions are required to use risk assessments prepared by External Credit Assessment Institutions (“ECAI”) in order to determine the risk weightings to be applied. The Company’s nominated ECAIs, which are recognized by CySEC, are Fitch Ratings (“Fitch”), Standard and Poor's Rating Services (“S&P”), and Moody's Investor Service (Moody’s). ECAI risk assessments are used for risk weighting the firm’s exposures to central governments and central banks, institutions and corporates.

Companies are using the below Credit Quality Step (“CQS”) mapping table, to map the credit assessment to credit quality steps:

Credit Quality Step	Fitch Ratings	Moody’s Ratings	S&P Ratings
1	AAA to AA-	Aaa to Aa3	AAA to AA-
2	A+ to A-	A1 to A3	A+ to A-
3	BBB+ to BBB-	Baa1 to Baa3	BBB+ to BBB-
4	BB+ to BB-	Ba1 to Ba3	BB+ to BB-
5	B+ to B-	B1 to B3	B+ to B-
6	CCC+ and below	Caa1 and below	CCC+ and below

When calculating the capital requirements for credit risk for both on- and off-balance sheet positions, the Company assigns risk weights to the exposures based on their exposure type and rating, as prescribed by the

Regulation. The process for transferring issuer and issue credit assessments onto items not included in the trading book is applied in the following priority:

1. Where a credit assessment exists for a specific instrument, this credit assessment shall be used to determine the risk weight to be assigned to that item;
2. Where no directly applicable credit assessment exists for a specific instrument, then the credit assessment of the issuer shall be used;
3. Where no directly applicable credit assessment exists for a specific instrument or its issuer, the relevant exposure shall be treated as unrated. For this category, the risk weight will be determined taking into account whether a Sovereign rating exists or not.

Exposure to Institutions:

Credit Risk arises when counterparties fail to discharge their obligations towards the Company, thus reducing the amount of future cash inflows from the financial assets at hand on the Company's balance sheet. The Company has no significant concentration of credit risk, however has specific credit risks arising from its current banking accounts with credit institutions.

According to Article 119 of the CRR, exposures to institutions for which a credit assessment by a nominated ECAI is available shall be risk-weighted in accordance with Article 120. Exposures to institutions for which a credit assessment by a nominated ECAI is not available shall be risk-weighted in accordance with Article 121.

Exposures to institutions for which a credit assessment by a nominated ECAI is available shall be assigned a risk weight according to the following categories.

A) Exposures to institutions with a residual maturity of more than three months for which a credit assessment by a nominated ECAI is available

Credit quality step to which central government is assigned	1	2	3	4	5	6
Risk weight of exposure	20%	50%	50%	100%	100%	150%

B) Exposures to an institution of up to three months residual maturity for which a credit assessment by a nominated ECAI is available

Credit quality step to which central government is assigned	1	2	3	4	5	6
Risk weight of exposure	20%	20%	20%	50%	50%	150%

Exposures to institutions for which a credit assessment by a nominated ECAI is not available shall be assigned a risk weight according to the credit quality step to which exposures to the central government of the jurisdiction in which the institution is incorporated are assigned in accordance with the table below:

Credit quality step to which central government is assigned	1	2	3	4	5	6

Risk weight of exposure	20%	50%	100%	100%	100%	150%

For exposures to unrated institutions incorporated in countries where the central government is unrated, the risk weight shall be 100%.

For exposures to unrated institutions with an original effective maturity of three months or less, the risk weight shall be 20%

For trade finance exposures referred to self-liquidating short-term trade financing transactions connected to the exchange of goods or services with a residual maturity of up to one year, the risk weight shall be 50% and where the residual maturity of these trade finance exposures to unrated institutions is three months or less, the risk weight shall be 20%.

As of 2020, Menasecurities Ltd had exposures to rated institutions of a residual maturity of three months or less denominated and funded in its national currency. Thus, based on Article 119(2) of the regulation, it shall be assigned a risk weight that is one category less favorable than the preferential risk weight, assigned to exposures to the central government in which the institution is incorporated.

In addition, based on Article 114(4), exposures to Member States' central governments, and central banks denominated and funded in the domestic currency of that central government and central bank shall be assigned a risk weight of 0 %.

Subsequently, for the year under review, company is using 20% risk weight for its exposure to Institutions.

Exposure to Other Items:

Tangible assets showing separately land and buildings occupied by a credit institution for its own activities (unless national law requires their disclosure in the notes on the accounts) shall be assigned a risk weight of 100%.

Prepayments and accrued income, for which an institution is unable to determine the counterparty in accordance with Directive 86/635/EEC, shall be assigned a risk weight of 100%.

Cash items in the process of collection shall be assigned a 20% risk weight. Cash in hand and equivalent cash items shall be assigned a 0% risk weight.

Gold bullion held in own vaults or on an allocated basis to the extent backed by bullion liabilities shall be assigned a 0% risk weight.

To sum up, the table below shows a breakdown of CCR exposures, calculated under the standardised approach, by type of counterparties and by risk weight as at 31 December 2020. Exposures for which a credit assessment by a nominated ECAI is not available and that are applied specific risk weights depending on their class, as specified in the Regulation, are presented in the category "of which unrated":

Exposure classes	**Risk Weight**					
	0%	**20%**	**50%**	**75%**	**100%**	**150%**

Institutions	-	75	-	-	-	-
Corporates	-	-	-	-	1	-
Retail	-	-	-	1	-	-
Other Items	-	-	-	-	58	-
Total	-	75	-	1	59	-

3.2.2 Market Risk

Market risk is the risk of loss caused by adverse market conditions, such as movements in the prices of traded financial instruments. Adverse movements in the level of interest rates, in the rate of exchange between currencies and the current prices of securities, commodities and other financial instruments may affect Company's profitability.

Market risk focuses on the way, in which changes in traded values in major markets such as bonds, equities, foreign exchange or commodities, affect Company's revenues.

Based on the Company's size, internal organization and the nature, scale and complexity of activities, it is noted that Company does not currently exposed to market risk.

3.2.3 Operational Risk

This is the risk that the internal organizational systems of the company may fail owning to systems malfunctions or human errors. Operational risk can be defined as the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events.

Operational risk loss can be categorized under the following (overlapping) categories:

- Internal and External fraud: Some person or persons either inside the organization or outside it, or both, have broken regulations, laws or company policies and losses resulted. Insider trading and theft typically come under this category.
- Employment practices and workplace safety: These are losses arising from failure to implement required employment practices and include losses under discrimination suits and workers' compensation.
- Clients, products and business practice: Here losses arise from failure to engage in correct business practice, for instance, via unsuitable sales to clients, money laundering or market manipulation.
- Damage to physical assets: Natural disaster, act of God and terrorism losses come under this category.
- Business disruption and systems failures: These include all hardware, software, telecom and utility failure related losses.
- Execution, delivery and process management: This is a wide category including data entry issues, collateral management, failure to make correct or timely regulatory or legal disclosures, and negligent damage to client assets

Most operational risk in the KYC context relates to weaknesses in the implementation of Company's programs, ineffective systems and control procedures, inadequate training and failure to practice sufficient due diligence.

The Company identifies the operational risk inherent in all types of transactions, products, activities, processes and systems. The Company's Senior Management successfully manage and control operational risks by identifying, measuring, monitoring, reporting, controlling and mitigating operational risks. Department heads bear the responsibility for the identification and escalation of operational risks relevant to their departments. The Company also ensures that before new products, activities, processes and systems are introduced or undertaken, the operational risk inherent in them is subjected to adequate assessment procedures. The Company ensures that its operational risk identification process is robust and is capable of considering potential risks.

Measures to reduce operational risks are developed and executed independently by the individual departments, as provided by the Company's procedures. The basic criterion for taking a decision on implementation of measures to minimize an operational risk is economic effect from such operational risk reduction – the cost of control measures must not exceed the amount of expected losses from realization of the risk.

Fixed Overheads Risk

Fixed Overhead Risk is the risk that the company holds sufficient eligible capital to accommodate fluctuations in Company's levels of business. The requirement is to hold eligible capital of at least one-quarter of the fixed overheads of the previous year. For the operational risk in relation to the capital adequacy returns, the Company uses the fixed overhead requirement, which is taken into account if and only if the summation of credit and market risk falls below a calculated limit of Fixed overheads.

The risks and uncertainties faced by the company are those inherent to the industry. The Board seeks to mitigate this risk by constant review and strict control of fixed overhead costs by optimising resources and reducing unnecessary expenses.

On 31 December 2020 Company's Fixed Overhead Requirement was EUR 95.413

To sum up:

The total capital requirements of the Company as at 31 December 2020 as well as the Risk Weighted Assets ("RWAs"), are summarized in the table below:

Type of risk	RWA 2020	Capital Requirements 2020
	[EUR ('000)]	[EUR ('000)]
Credit Risk	74	6
Market Risk	-	-
Fixed Overheads Risk	1119	90
Credit Valuation Adjustment	-	-
Total	1193	96

4. Remuneration Policy Disclosure

The Remuneration policy of the Company forms an integral part of the Company's corporate governance and is developed taking into consideration the Company's objectives, the business and risk strategy, corporate cultures and values and the long-term interests of the Company.

It is noted that the Company has taken into account its size, internal organization and the nature, the scope and the complexity of its activities and it does not deem necessary the establishment of a Remuneration Committee. In case the Company shall deem necessary to establish a Remuneration Committee in the future, then this section shall be updated as applicable.

The Board of Directors has defined, approved and oversee the remuneration policy of persons involved in the provision of services to clients aiming to encourage responsible business conduct, fair treatment of clients as well as avoiding conflict of interest in the relationships with clients. Company's Remuneration Policy is included in the Internal Operation Manual (IOM). The Board of directors of the Company is also responsible for the day-to-day implementation of the remuneration policy and the monitoring of compliance risks related to the policy.

The Policy is reviewed at least annually, and any amendments made are approved by the Board of Directors. The implementation of the Policy is also subject to periodic review by the Compliance and Internal Audit functions in order to assess the level of compliance with the legislation, internal policies and the Company's risk culture.

The Policy applies to top management executives, risk takers, individuals whose total remuneration takes them into the same remuneration level as the aforementioned categories, individuals who perform control duties, and individuals whose professional activities have a significant impact on the Company's risk profile.

The aim of the Company's remuneration policy is to ensure that the Company has risk-focused remuneration policies which are consistent with and promote effective risk management, do not expose the Company to excessive risk, avoid conflicts of interest and do not encourage inappropriate risk taking, attract, motivate and retain high caliber directors, officers and employees, operate a fair and consistent policy that rewards individual contributions to the Company's overall performance, and are competitive with industry standards.

4.1 Company's Remuneration Policy

The remuneration policy is consistent with and promotes sound and effective risk management and does not encourage risk-taking that exceeds the level of tolerated risk of the Company. Furthermore, staff engaged in control functions is only remunerated in accordance with the achievement of the objectives linked to their functions, independent of the performance of the business areas they control.

Remuneration Components:

Various remuneration components are combined to ensure an appropriate and balanced remuneration package that reflects the business or support unit, the employee's corporate rank within the Company and professional activity as well as market practice.

Fixed remuneration varies for different positions/roles depending on each position's actual functional requirements, and it is set at levels which reflect the educational level, experience, accountability, and responsibility needed for an employee to perform each position/role.

The Company does not guarantee any variable remuneration. Nevertheless, the Company is dedicated to recognize the contribution of the employees to its success by payment of bonuses whenever it is financially appropriate and depending on the performance of the Company as a whole. Moreover, the variable remuneration is also allocated to employees based on the individual performances. The current portion of the variable remuneration does not exceed 50% of the annual fixed remuneration of any employee.

Other factors taken into account for the remuneration of the Company's employees are the following:

a) The financial viability of the Company
b) The general financial situation and the state in which the Company operates
c) Each employee's personal objectives (such as personal development, compliance with the Company's systems and controls, compliance with regulatory requirements, commitment and work ethics).
d) Each employee's professional conduct with Clients (such as acting in the best interest of the Client, fair treatment of Clients and inducing Client satisfaction), as applicable.

The Policy of the Company is not designed so as to, inter alia:

- Give incentives that might influence the Company's relevant employees to sell one product or category of product, instead of another

- Achieve a quota of minimum sales level across a range of products in order to earn any bonus thus might also impair the duty to act in the best interest of Clients
- Create disproportionate return for marginal sales, where relevant persons need to achieve a minimum level of sales before bonus payments can be earned, or incentives are increased
- Increase the relevant employee's focus on short-term gains rather than the client's best interest

Information on link between pay and performance:

Where remuneration is performance related, the total amount of remuneration is based on a combination of the assessment of the performance of the individual and of the business unit concerned and of the overall results of the Company and when assessing individual's performance, financial as well as non-financial criteria are taken into account.

The Company implements a performance appraisal method, mainly to foster talent and promote healthy competition amongst personnel (i.e. it is not currently related to any variable remuneration scheme) which is based on a set of Key Performance Indicators, developed for each department.

In general, the performance appraisal is performed in a multiyear framework in order to ensure that the appraisal process is based on longer-term performance and that in the future (i.e. when applicable), the actual payment of performance-based components of remuneration will be spread over a period which will take into account the Company's underlying business cycle.

Additionally, the performance appraisal on medium and short-term is being performed as follows:

a) The appraisal entails the review of the performance of the individuals against the set personal targets/objectives of the year.
b) Targets/objectives are defining what the Company's functions, departments and individuals are expected to achieve over an upcoming period of time.
c) There are also mid-term procedures that allow, if necessary, to amend any targets/objectives and incorporate any changes that might happen during the year.
d) Performance checks and feedbacks: managers provide support and feedback to the concerned staff during the time periods decided, during the daily activities or during formal or informal performance reviews; the aim is to assist the staff to develop their skills and competencies
e) Performance evaluation takes place annually, usually at the end of each year in order to set the targets for the following year.

Bonus to employees:

The annual discretionary bonus is determined by the Board of Directors through assessment of the financial and non-financial performance of the financial year against targets and a quantitative and qualitative assessment of a number of variables during the aforementioned year using a specific Scorecard. Bonus for each employee are capped at 50% of his annual total fixed pay. The Board will assess performance on an annual basis.

4.2 Aggregate quantitative information to remuneration

A. Aggregate Remuneration analysis by Business area

As at 31st of December 2020				
Business Area	**No. of Beneficiaries ***	**Fixed Remuneration [EUR (‘000)]**	**Variable Remuneration [EUR (‘000)]**	**Aggregated Remuneration [EUR (‘000)]**
Brokerage	1	32.500	0	32.500
Back Office	1	44.504	0	44.504
IT	1	23.600	0	23.600
Control Functions**	2	42.256	0	42256
Total	**5**	**142.860**	0	**142.860**

* Includes the remuneration of staff who resigned during 2020

** Control functions include the Compliance department, the AML department and the Risk Management department

Note: In case of multiple functions of an employee his/her remuneration is calculated in both functions

B. Remuneration analysis broken down by Senior Management and member of Staff whose actions have a material impact on the risk profile of the Company

As at 31st of December 2020				
Position/Role	**No. of Beneficiaries ***	**Fixed Remuneration [EUR (‘000)]**	**Variable Remuneration [EUR (‘000)]**	**Aggregated Remuneration [EUR (‘000)]**
Executive Directors	2	51.133	0	51.133
Non Executive Directors	3	27.000	0	27.000
Key Management personnel - It includes Heads of departments	5	110.360	0	110.360
Other Staff		0	0	0
Total	**10**	**188.493**	**0**	**188.493**

* Includes the remuneration of staff who resigned during 2020

APPENDIX 1

Organizational structure of MENASECURITIES LTD