InteractiveBrokers

Sustainability Report 2022

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Introduction

At the Interactive Brokers Group of companies[1], we believe that responsible and sustainable business practices are important to our success. Over the decades since our inception in 1977, we have held firm to four core values: integrity, resilience, innovation, and operational efficiency. Our expertise lies in the building of innovative technology and tools to help clients efficiently achieve their financial goals.

Our sustainability strategy is anchored to three primary areas: (1) Leadership and Governance, (2) Our People, and (3) Environmental Stewardship. By integrating our sustainability strategy into our operations, underpinned by our core values, we strive to create better products and services for our clients and greater value for stakeholders.

This sustainability report discusses the steps we have taken to implement these business practices and presents an overview of our sustainability initiatives, performance, and progress during the 2022 calendar year.

Our Progress this Year

ENVIRONMENTAL

Completed our first Materiality Assessment

Water, Waste and Energy Management

Began waste reduction plans

Completed our first Greenhouse Gas Inventory for 2022

GOVERNANCE

Created A new Environmental & Social Policy Statement

Released a new Vendor Code of Conduct

SOCIAL

Expanded our Internal ESG team

Hired Head of ESG & Sustainability

New Female Board Director

Increase in women interns

Improved Staff Retention Statistics

63% **Increase** in Learning and Development training hours

What is New?

- New Employee Resource Groups
- New communication platform for staff
- New Mental Health Program

[1]The Interactive Brokers Group, Inc., together with its affiliates, are referred to here as "Interactive Brokers," "IBKR," "we," "us," and "our."

Important Facts[2]

- IBKR is an automated global electronic broker.
- We have been in business for 45 years. We trace our roots to the market-making business founded by our Chairman, Thomas Peterffy, on the floor of the American Stock Exchange in 1977.
- Our Mission is "to compete on price, speed, size, diversity of global products and advanced trading tools."
- ~2.09 million cleared customer accounts.
- Our customers reside in over 200 countries.
- No single customer represented more than 1% of our commissions.
- Our Traders' Academy has approximately 79K users.
- Our Student Trading Lab, a free resource, is used in 81 countries by 2,068 educators.

[2]Data as reported in our 2022 Annual Report/10-K.

About Interactive Brokers

Headquartered in Greenwich, Connecticut, Interactive Brokers has 2,820[3] employees in the United States, Canada, the United Kingdom, Ireland, Switzerland, Estonia, Hungary, India, China (Hong Kong and Shanghai), Japan, Singapore, and Australia. Interactive Brokers is regulated by the SEC, FINRA, NYSE, FCA,[4] and other regulatory agencies around the world.

We are an automated global electronic broker specializing in executing and clearing trades in stocks, options, futures, foreign exchange instruments, bonds, mutual funds, exchange-traded funds, and precious metals on more than 150 electronic exchanges and market centers in 33 countries and 26 currencies around the world. We offer custody, prime brokerage, and securities and margin lending services to our clients. In addition, our clients can use our trading platform to trade cryptocurrencies through third-party cryptocurrency service providers that execute, clear, and custody the assets. Our trading systems executed 3.3 million average trades per day.

Globally, we offer retail and institutional investors, financial advisors, proprietary trading firms, and introducing brokers sophisticated trading technology and services at some of the lowest fees in the market. Because we recognize that successful investment practices start with robust financial literacy, we maintain a comprehensive suite of free training and educational support services, including courses, videos, podcasts, webinars, and blogs. We also provide wide-ranging research and market data provided by third-party organizations.

We continually look for ways to expand our services and automate our processes while maintaining low costs. Our relatively flat organizational structure is designed to support rapid decision-making and complex product development. We have grown organically, which we believe results in a more integrated operation than competitors of comparable size. The resulting efficiency allows us to keep our fees low while continuing to offer comprehensive data and advanced technology.

[3] Number of employees as of December 31, 2022.

[4] Securities Exchange Commission ("SEC"), Financial Industry Regulatory Authority ("FINRA"), New York Stock Exchange ("NYSE"), The Financial Conduct Authority ("FCA").

Our Sustainability Approach

Our sustainability program is based on our core values and the belief that responsible practices are important to our growth. This report is framed around the results of our materiality assessment. We conducted a full materiality assessment to identify sustainability issues that may impact our business and the communities in which we operate.

The assessment included stakeholder consultations, internal process reviews, and an evaluation of our status in relation to industry benchmarks, regulatory requirements, emerging trends, and related factors. The design of the assessment and stakeholder consultation was informed by the following sources: GRI Sustainability Reporting Standards 2021 (GRI Standards), the Sustainable Accounting Standards Board (SASB) Materiality Map for the Investment Banking & Brokerage Industry, and the United Nations Sustainable Development Goals (UNSDGs). Additionally, we followed the reporting guidelines developed by the International Financial Reporting Standards and partnered with external sustainability consultants to support our sustainability initiatives.

The insights we gained through this process have allowed us to focus our efforts and allocate our resources more effectively. We asked stakeholders to rank each sustainability measure according to two criteria: (1) importance to Interactive Brokers' business and (2) importance to our stakeholders, which includes our employees, clients, community, shareholders, vendors, government, and regulators.

Our process included:

- ensuring adequate representation across Interactive Brokers;
- engaging with participants working in representative functions; and
- reviewing our materiality results with the stakeholder groups.

Extensive analysis of the technology and financial services industries led us to designate 60 topics for stakeholder review. From this list, our stakeholders rated 16 topics as critically important to our business, our clients, and our community stakeholders. Our materiality assessment matrix provides our results for seven key areas. We used the resulting data to create a road map and action plan of our priorities.

Area	Topics of Critical Importance
Economic	Business growth
	Profitability
Leadership & Governance	Business ethics
	Transparency & communication
	Innovation, research & development
Human Capital	Employee compensation & benefits
	Attracting & recruitment of talent
	Employee engagement & retention
Community	Early-stage recruitment
Environment	Energy management
	Renewable energy
	Energy efficiency
Social Capital	Data security
	Cybersecurity
	Customer satisfaction
Risk & Compliance	Systemic risk management

Our Materiality Assessment Results

Importance to Stakeholders	IMPORTANT	VERY IMPORTANT	CRITICALLY IMPORTANT
CRITICALLY IMPORTANT	Use of Local Labor Where Possible Impact on Community Renewable Energy	Cybersecurity Data Security Customer Privacy Customer Satisfaction Innovation/R&D	Regulatory Compliance Business Ethics Resilience Systemic Risk Management
VERY IMPORTANT	Energy Management Climate Change/Extreme Weather Events	Community Investment Pay Equity Promoting Diversity Recruitment of Talent Transparency & Communication	Corporate Reputation Market Presence Employee Compensation & Benefits
IMPORTANT	Waste & Material Management Ecological Impacts Water Management	Early-Stage Recruitment Career Development & Advancement Energy Management	Intellectual Property Business Growth Share Price Profitability

Material Topics to the Business

Heat Map Color Coding

Low — High Importance

Exceptional Financial Strength

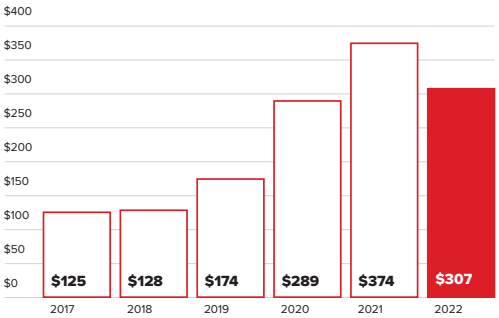
We have operated with the fundamental principle that the financial strength of a brokerage firm is critical to servicing clients effectively. We believe Interactive Brokers represents one of the strongest and most financially sound global brokers.

- We are a regulated securities broker-dealer – not a bank; as such, we mark to market all of our positions daily and do not classify any of our debt securities as "Held to Maturity." Accordingly, our assets and equity more accurately reflect their respective fair market values and we do not have 'hidden' losses on our balance sheet related to these securities.
- The only type of loans we make to clients are margin loans, secured by marketable securities. This simplifies our business and risk profile.
- We hold no material positions in over-the-counter securities or derivatives. We hold no collateralized debt obligations, mortgage-backed securities, or credit default swaps. By limiting the type of debt we hold, we have significantly less risk as a business.
- Our real-time margining system marks all client positions to market continuously. All orders are credit vetted before being executed and positions in accounts with inadequate margin deposits are liquidated automatically. Our real-time margining system allows us to better manage the risks associated with our margin lending business.

Our Numbers in 2022

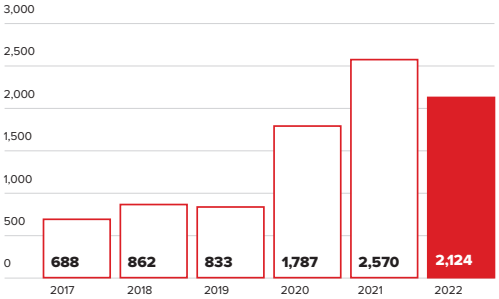
Client Equity
(Billions)

20%
GROWTH



Total Client DARTs
(Thousands)

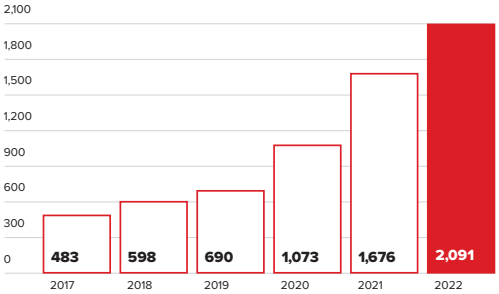
25%
GROWTH



Five-Year Compound Annual Growth Rate

Client Accounts
(Thousands)

34%
GROWTH



Privately Held
75.5%

Pretax Profit
$1B

Pretax Margin
65%

Equity Capital
$11B

Net Revenue
$3.1B

Total Assets
$115.1B

Important Facts

- On December 31, 2022, on a consolidated basis, our equity capital was $11.6 billion, of which, over $8.7 billion was in excess of our regulatory requirements.
- We have no long-term debt.
- The majority of our payables/receivables are reconciled to outside sources automatically.
- Interactive Brokers LLC[5] (our primary brokerage affiliate) is rated "A-Outlook Stable" by Standard & Poor's.
- Our investment portfolio consists solely of short-term investments, with a duration of 24 days as of March 31, 2023.

[5]Interactive Brokers LLC is a U.S. Broker/Dealer and not a bank; as such, Interactive Brokers' accounts are not eligible for FDIC coverage but are insured through SIPC. For additional information about SIPC coverage, please visit www.sipc.org.

Our Leadership and Governance

Our leadership, including our Board of Directors, Chairman, and CEO, drives our sustainability agenda which covers our financial and non-financial objectives. In 2022, our Board was comprised of ten directors, five of whom were independent. Our Board committees include our Audit Committee, Compensation Committee, Nominating and Corporate Governance Committee, and Environmental, Social, and Governance ("ESG") Committee.

Our ESG Board Committee works closely with our Board to develop our sustainability strategy. The ESG Committee provides input for our ESG strategy, monitors our ESG activities, relays necessary information to the Board, guides the development of new programs including products and services, and supports ESG reporting.

Additionally, we have an operational-level sustainability leadership group entitled Sustainability Advocates and Information Leadership ("SAIL"). This group of ten senior employees meets quarterly to support the ESG programs and initiatives approved by the ESG Board Committee and senior management. The members of this group are located globally across our three regions and bring a diverse set of perspectives and expertise. Best practices and ideas on ESG topics are shared through this group.

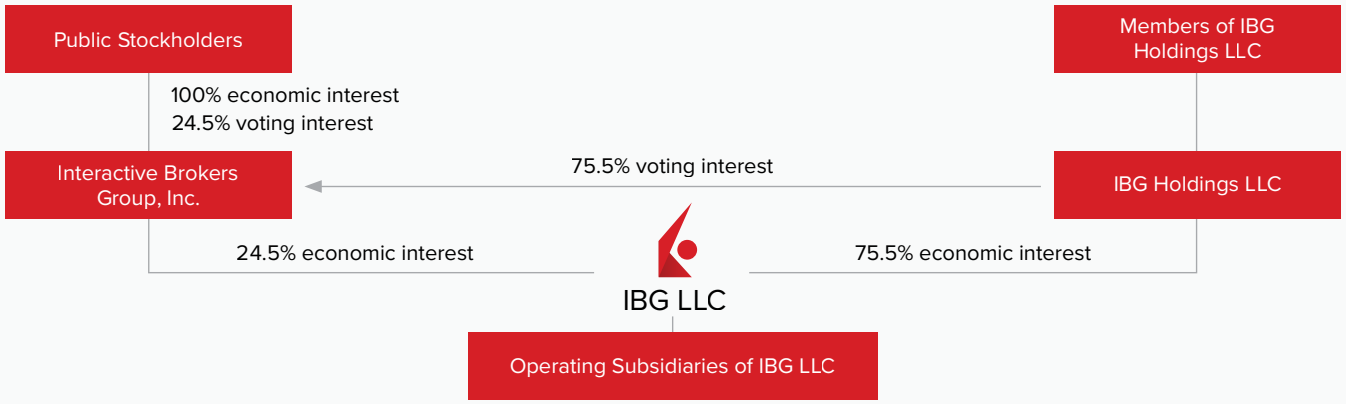
In coordination with our ESG Board committee and operational group, we implemented policies, procedures, and internal controls that promote responsible practices and comply with relevant legal obligations. The department heads involved in our operational group contribute to areas of importance such as data privacy, cybersecurity, anti-money laundering, sanctions, anti-corruption, diversity and inclusion, and responsible supplier practices. As an example, in 2022, we created an Environmental and Social Policy Statement that outlines the expectations for our business operations and supply chain in the areas of human rights and environmental management.

We also created a Vendor Code of Conduct to align with our global Code of Conduct and Business Ethics (See Appendix A, Governance for more information about our policies). Our Head of Security and Safety was hired to further develop our safety and security programs (see page 20).

Finally, in 2022, we made two important department head hires to strengthen our governance and management systems. We hired a Head of Sustainability and ESG to drive our ESG strategy, programs, systems, and reporting. We also hired a Head of Procurement and created a new procurement department responsible for overseeing our supply chain, including lifecycle management.

Interactive Brokers is owned by our public company, Interactive Brokers Group, Inc. (24.5%) and our founders, employees and their affiliates (75.5%). Unlike at most other firms, where management owns a relatively small share, our founder and other senior executives own a substantial majority of our equity. Their ownership strongly aligns management with our stockholders and this incentive compatible structure ensures that management does not take unnecessary or unwise risks to further their own benefit.

Company Structure



Innovation

Interactive Brokers offers a comprehensive range of products and services designed to empower individuals and institutions to manage their investments efficiently and effectively.

As a leading global broker-dealer, we combine cutting-edge technology with a deep understanding of financial markets. Our innovative products and services exemplify our commitment to reliability, security, and low costs. We continue to break down barriers to market access for millions of people around the world by providing sophisticated financial tools at some of the lowest costs in more than 150 global markets.

Our products and services include:

Trading Platforms: We offer advanced trading platforms that cater to the needs of both active traders and long-term investors. The Trader Workstation (TWS), our flagship platform, is a powerful, customizable platform that provides access to global markets, advanced order types, real-time market data, and a wide range of analytical tools. For investors on the go, we offer the IBKR Mobile app, which allows clients to trade and monitor their portfolios and the IBKR GlobalTrader app, a streamlined app for trading global financial instruments that allows clients to deposit funds in their local currency. Client Portal is our one-stop, web-based platform to check quotes, place trades, see account balances, P&L and key performance metrics, funding, reports, and more.

Pricing: We allow eligible clients in the U.S. to select the services and pricing methodology that meet their needs. IBKR Pro is our core service designed for sophisticated investors and offers among the lowest-cost access to financial instruments from a single unified platform. IBKR Lite provides unlimited commission-free trades on U.S. exchange-listed stocks and exchange-traded funds ("ETFs"), and low-cost access to global markets without required account minimums or platform fees to U.S. customers.

Global Market Access: We provide access to an array of global markets, including stocks, options, futures, foreign exchange, bonds, and more. Clients can trade in more than 150 markets in 33 countries, enabling them to diversify their portfolios and capitalize on investment opportunities around the world.

Margin Lending: We offer competitive margin lending services, allowing clients to borrow against their investment portfolios to fund additional trading and investment activities. The margin lending program provides clients with flexible borrowing and attractive interest rates.

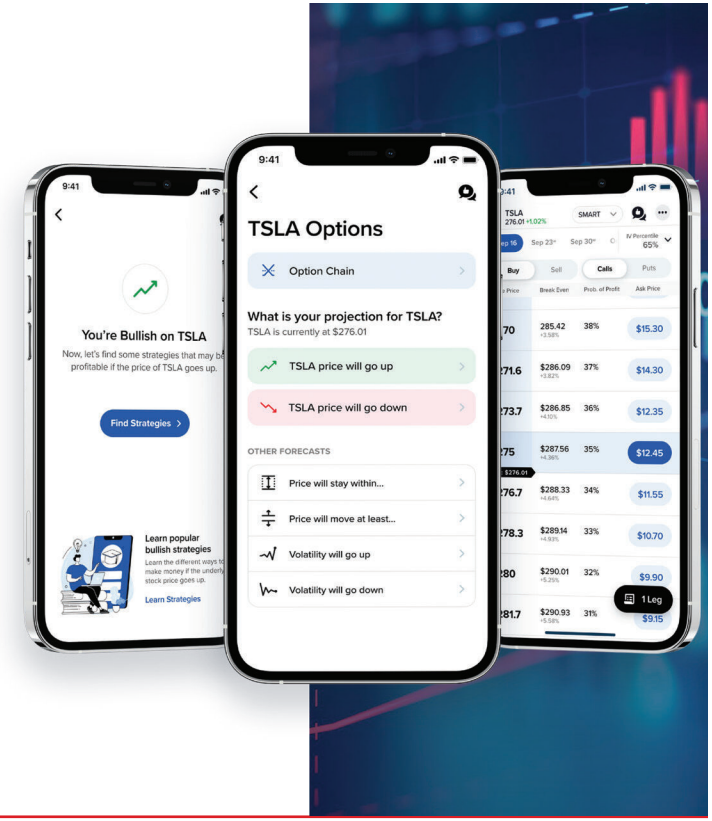
Robust Research and Analysis Tools: We provide clients with access to a wealth of research and analytical tools that help them make informed investment decisions. Our platforms offer comprehensive market data, news feeds, advanced charting capabilities, and research reports from leading financial institutions.

Portfolio Analysis and Risk Management: Our solutions include portfolio analysis tools that enable clients to assess the risk and performance of their investment portfolios. These tools provide valuable insights into asset allocation, risk exposure, and potential areas for optimization.

Automated Investing: We offer eligible clients automated investing solutions such as Recurring Investment Feature, Interactive Advisors and Passiv, a third-party automated portfolio tool.

Application Programming Interface (API) Solutions: We provide robust APIs that allow clients to build their own trading applications, integrate third-party platforms, and access a wide range of financial data. The APIs enable clients to leverage our infrastructure and connectivity for customized trading and investment solutions.

Prime Brokerage Services: For institutional clients, we offer prime brokerage services that provide comprehensive clearing, custody, and financing solutions. These services cater to the unique needs of hedge funds, proprietary trading firms, and other institutional clients.



ESG integration in Our Products

We believe that clients need access to timely and relevant information as part of their investment decision-making process. Historically, this information focused predominately on financial metrics, e.g., net income and price-to-earnings ratio. More recently, the use of our ESG tools demonstrates how important ESG is to some of our clients in their decision-making processes.

We addressed this need by developing our award-winning application "IMPACT by Interactive Brokers (IMPACT App)." The IMPACT App makes it easier to find and invest in companies that share a client's values and helps them better align their portfolio with the kind of world they want to create. In addition, we integrated ESG features and tools into our more traditional product offerings. Clients can now view a rich set of ESG data on their investments through multiple lenses — financial, ESG, and "impact"– using our IMPACT App, Impact Dashboard, and ESG Scores.

The IMPACT App filters investments through 13 ESG values. Clients can align their portfolio with one, several, or all 13 IMPACT Values, which include Clean Air, Company Transparency, Customer Safety, Ethical Leadership, Fair Labor and Thriving Communities, Gender Equality, LGBTQ Inclusion, Land Health, Mindful Business Models, Ocean Life, Pure Water, Racial Equality, and Sustainable Product Lifecycle. Our IMPACT App allows clients to evaluate whether investments align with their values and make changes as they find appropriate. Through the IMPACT App, clients can flag companies with business practices that they find unacceptable.

The IMPACT App also allows clients to purchase carbon credits to offset their carbon footprint. Finally, using the "GIVE" feature, clients can donate to charitable organizations directly from the application (available in the United States). Several core Interactive Brokers' products, including Fundamentals Explorer, Portfolio Analyst, and Model Marketplace, now incorporate ESG ratings. Clients can share their portfolio's IMPACT grade and values to their social network platforms to showcase the issues they care most about.

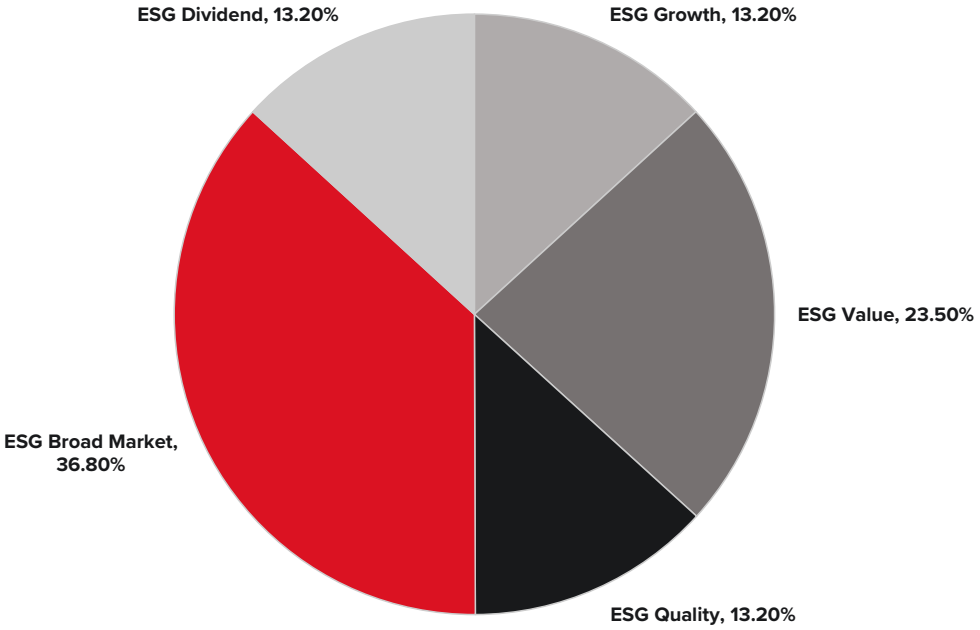
Our robo-advisor, Interactive Advisors, makes it easy for our clients to use ESG principles in their investment portfolios to save time and money[6]. We have incorporated ESG principles into some of the portfolios Interactive Advisors offers clients, in addition to traditional offerings. Currently, We offer clients interested in ESG investing, 17 portfolios centered on sustainable products from the 13 ESG IMPACT App values listed above, along with five ESG Smart Beta portfolios (see charts on the following page).

Additionally, Interactive Advisors' clients who wish to avoid investing in companies that, in their opinion, do not share their values can select types of business practices to avoid from several predefined sustainable investing exclusionary lists. These lists include companies that are involved in animal testing, business ethics controversies, corporate political spending and lobbying, energy-intensive operations, fossil fuels, greenhouse emissions, hazardous waste, high water usage, tobacco, alcohol and gambling, and weapons and gun manufacturing. Interactive Advisors' clients have shown interest in, and commitment to, a range of ESG themes.

[6]Interactive Advisors is an investment advisor affiliate registered with and regulated by the SEC. Registration does not imply a level of skill or training.

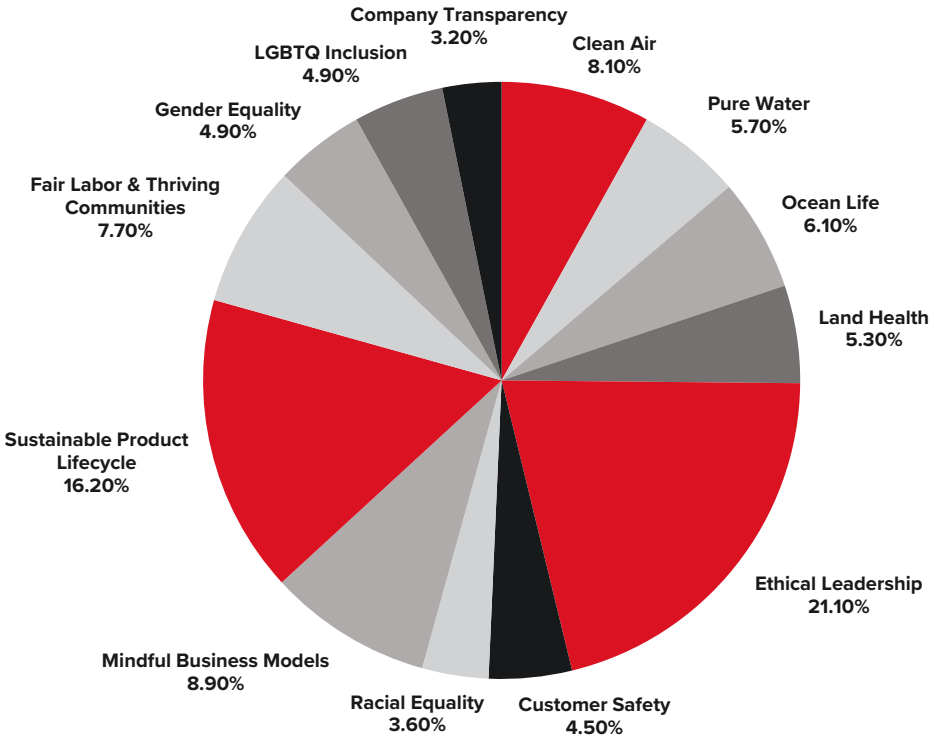
Distribution of Interactive Advisors' Clients Invested in Our Available ESG Investing Portfolios[7]

Interactive Advisor Clients Who Invested in 5 ESG Smart Beta Portfolios



See impact.ibkr.com

Interactive Advisor Clients Who Invested in 13 Socially Responsible Investing Portfolios



[7]As of May 10, 2023.

Awards & Recognition

In 2022, we received several prestigious awards that highlighted our commitment to excellence, innovation, and client satisfaction. These include:

Investopedia

2022 Investopedia Awards

4.6/5 stars overall
Best Broker for International Trading
Best Broker for Advanced Traders

2022 StockBrokers.com Awards

#1 for Professional Tools
#1 for Futures Trading
#1 for Offering of Investments
#1 International Trading
5 out of 5 stars Offering of Investments
5 out of 5 stars Research

2022 Investor's Business Daily Awards

1st for Premarket/After Hours Trading
2nd Best Options Trading Platform
3rd Website Security

2022 BrokerChooser Awards

Best Online Broker
Best Broker for Day Trading
#1 Best Broker for ESG Investing

BARRON'S

2022 Baron's Awards[8]

#1 Best Online Broker (5/5)
#1 for Active Traders
#1 for Information

preqin

2022 Preqin Awards

Top Prime Broker
Hedge Fund Custodian

2022 Benzinga Global Fintech Awards

Best Day Trading Software
Best Robo-Advisor: Interactive Brokers

2022 ForexBroker.com Awards

#1 Offering of Investments
#1 Innovation
#1 Institutional Clients
5 out of 5 stars Overall
5 out of 5 stars Commissions & Fees
5 out of 5 stars Offering of Investments

INSIDER

2022 Business Insider Award

Best Socially Responsible App

FAST COMPANY

World Changing Ideas Award

Finalist, Impact Investing Category

ABA Stevie Gold Awards

Financial Services/Banking Category

[8]Barron's is a registered trademark of Dow Jones & Co. Inc. See ibkr.com/awards.

Our People

Interactive Brokers is a global company with a diverse workforce of over 2,800 employees across 29 offices in 16 countries worldwide. We recognize that human capital is critical for our sustainable growth. For over 45 years, our success has been a direct result of our talented workforce and our unique culture. Since our early days, the culture created by our leadership centered around our four core values: integrity, resilience, innovation, and operational efficiency. Our expertise in building innovative technology requires a certain work ethic of discipline and commitment to continuously improve. All levels of our company promote these values, and we have been fortunate to create a workplace that enables staff to engage and develop personally and professionally.

Our leadership and management structure continues to be relatively flat by design to reduce layers of bureaucracy. Because we do not have many layers of middle management, we believe employees regularly work on complex and interesting projects at an earlier point in their career. Our managers typically manage teams that span time zones, and project teams often include representatives from multiple departments. Department heads have been empowered to create working environments to meet their specific business needs with the flexibility to incorporate local work practices and customs. Our success is evident in our staff longevity and low turnover.

2022 Overall Staff Retention Rate **83%**	2022 Average Executive Tenure **17 years**
2022 Average Manager Tenure **9 years**	2022 Average Non-managers Tenure **6 years**

North America

In North America, we had roughly 1,300 employees across 12 office locations.

- The average tenure was seven years. There were 353 and 117 employees with service over 10 and 20 years of service, respectively.
- The United States and Canada experienced a combined 34% increase in staff since January 1, 2018.
- In 2022, we opened two new office locations (Chicago, Illinois and Fort Lauderdale, Florida).

Europe

In Europe, we had 709 employees across seven European office locations.

- The average tenure was five years. There were 83 and 36 employees with service over 10 and 20 years of service, respectively.
- Overall, staff levels increased by 62% since January 1, 2018, with year-on-year increases in each of the past five years. This follows office openings in Ireland (2020) and Hungary (2021), along with staff increases in our United Kingdom and Switzerland offices.
- Our employees come from 58 countries and speak 39 languages.

Asia

In Asia-Pacific, we had 800 employees across 10 Asia-Pacific offices.

- The average tenure was four years. There were 78 and 33 employees over five years and 10 years of service, respectively.
- Overall, staff levels increased 177% since January 1, 2018 in the Asia-Pacific region. This follows office openings over the years in China, Australia, Japan, two locations in Singapore, and a second India location.

Benefits

Throughout the world, we offer locally competitive compensation to our full-time employees. Our compensation and benefits package includes:

Base Salaries: We offer competitive base salaries that are commensurate with experience and skills.

Cash Bonuses: We offer annual bonuses based on individual and company performance.

Long-term Incentive Compensation Plans: We offer long-term incentive compensation plans that provide employees with the opportunity to share in our success.

Group Insurance: We offer health coverage that includes medical, dental, vision, life, and disability insurance. In some regions, we also offer supplemental coverage, such as life insurance, critical illness insurance, hospital and accident insurance, telemedicine, dependent care, commuter allowance, and flexible spending accounts. Our plans are designed to support the health, financial, and personal well-being of our employees.

Hybrid and Fully Remote Working Environments: We offer a hybrid work option to employees who prefer to work from home and office and, in limited instances, fully remote working environments.

Other Employee Initiatives: We offer a variety of other employee initiatives, such as tuition reimbursement and wellness programs.

In the United States, we recently expanded our parental leave policy, which includes paid leave for same-sex, opposite-sex, and domestic partnership couples; extended our healthcare travel reimbursement policies to include medical procedures, treatments and evaluations, family planning, and reproductive healthcare; and added subsidized backup childcare support through a third-party provider.

We are particularly proud to offer our long-term stock incentive compensation plan to eligible full-time employees. This plan provides employees with the opportunity to share in our success over the long term.

Our benefit programs are competitive and among the best in the industry. Our employees can be confident that we will continue to provide the resources they need to be healthy and financially supported while at IBKR.

Health and Well-being

In 2022, we made valuable additions to our wellness benefits, and we trialed several new initiatives, including a mental health program and a communication platform. The mental health program includes peer-to-peer small group facilitation sessions to raise awareness on mental health issues, and educate managers on how to support their own mental health and that of their staff.

To promote workplace engagement through community support and collaboration, we implemented a new global communication platform that establishes digital communities in support of our employees' internal and external interests and activities. We created over 60 communities for all of our employees to engage in shared interests that range from internal department sites to hobbies, including sites for personal development such as emerging technologies. All staff were invited to join and leverage the platform to collaborate on shared areas of interest.

Attracting Talent

We believe in a merit-based culture in which employees are evaluated and rewarded based on their demonstrated abilities, talents, and achievements. This approach has helped us attract top talent globally as we continue to grow and expand in multiple geographies. Our global recruitment team includes dedicated staff located globally in our three main regions. We primarily source our talent through our in-house recruitment staff. To supplement our recruitment efforts, we continue to use specialty recruitment platforms and have enhanced our job postings to attract a diverse workforce.

In 2022, our recruitment team visited many colleges. We hired 70 new graduates for positions in sales, human resources, technology, and recruitment. In addition to the college career fairs, we participated in diverse hiring forums to attract underrepresented groups.

Additional Information on our people, in 2022:

- Hired 716 new full-time employees across multiple departments.
- Expanded our college internship programs to support early-stage career development through exposure to our projects and working culture.

Community Engagement and Support

As a public company, we often feel that directly allocating our capital to specific causes might not reflect the diverse perspectives of our stakeholders. Instead, we mainly concentrate on generating value for our shareholders, enabling them to support the causes most important to them. Our primary philanthropic efforts are reserved for significant humanitarian crises and initiatives closely aligned with our business. To empower our employees, we offer up to $1,000 annually to match employees' giving, offer sponsorship activities and encourage volunteerism.

Diversity, Equity, and Inclusion

We believe a diverse workforce enhances our creativity when solving complex issues. Diversity also enriches the experiences of our employees and clients, and fosters workplace acceptance. To us, diversity includes diverse viewpoints, backgrounds, and experiences.

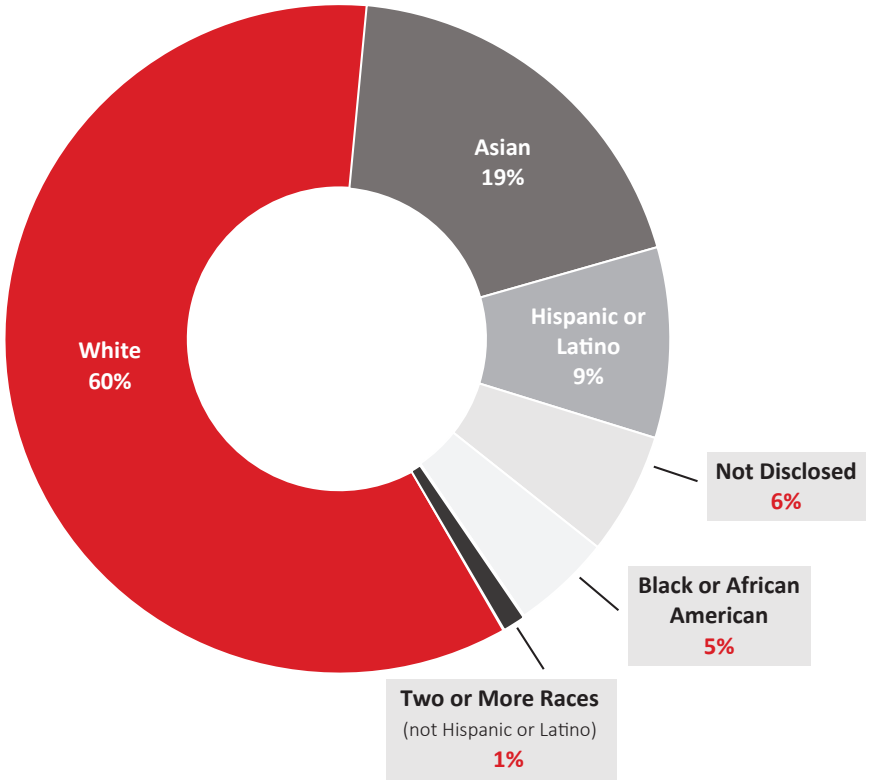
Our non-discrimination policies are documented in our Employee Handbook and Code of Business Conduct and Ethics. We promote these policies through training. We also provide diversity and inclusion training[9], including unconscious bias training, for our Human Resources and Recruitment managers.

During our annual compensation evaluation, we provide data to managers to review for pay equity between male and female employees.

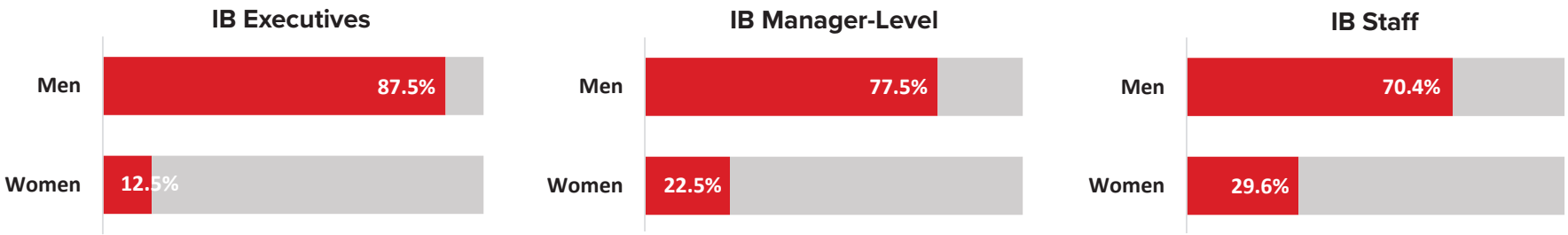
In 2022, we rolled out a global mentorship program that included 83 mentors and 108 mentees.

To support our commitment to a diverse workforce, we established several employee resource groups (ERGs). We created our ERGs to raise awareness of underrepresented groups and provide support on personal growth and leadership. These ERGs include the Women's Resource Group, Military Veterans and Families Group, and Pride Network. The ERGs organize networking events and encourage employee learning in multiple areas including management, collaboration, and diversity awareness. In addition, we have formed a partnership with 100 Women in Finance that includes women's leadership training and employee memberships, where employees have access to many resources and events to enhance their skills and experience.

IBKR Employee Diversity (US Only)



IBKR Gender Diversity (Global)



[9]This training was rolled out in 2023.

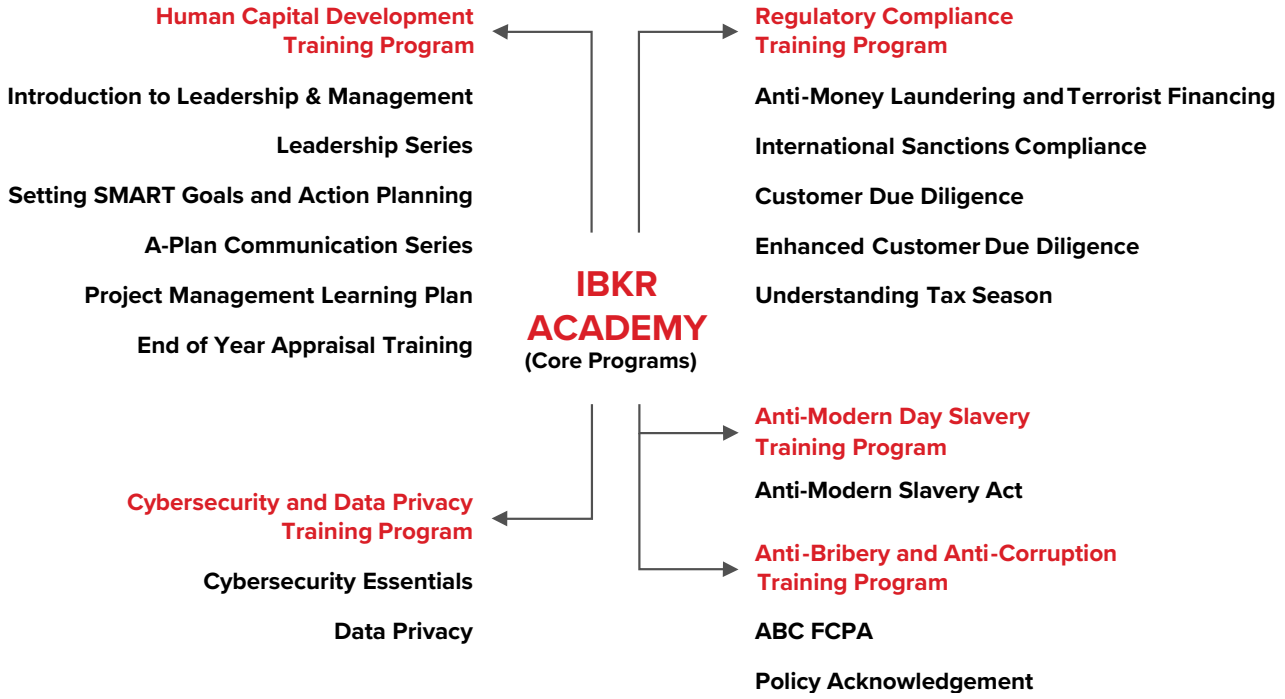
Learning, Growth, and Development

We are committed to promoting a culture of continuous learning, growth, and development, empowering our employees to thrive both personally and professionally. In 2022, our employees completed, on average, 14 hours of training, a 75% increase over the previous year.

Our Global Learning and Development ("L&D") Platform: We designed our Global L&D Platform to provide employees with the knowledge, skills, and capabilities they need to excel in their roles and adapt to the evolving demands of our industry. Whether the need is for technical training, compliance, or personal development, our platform offers a comprehensive suite of learning opportunities to meet the diverse needs and aspirations of our employees. Skill enhancement programs include courses on project management, business development, and more.

On-Demand Learning Resources: Our platform provides a library of on-demand learning resources, including more than 600 courses that feature e-learning modules, videos, articles, and interactive simulations. Employees can access these resources at their convenience, learn at their own pace and explore topics relevant to their professional or personal growth.

Skill Enhancement Programs: Our platform includes skill enhancement programs designed to help our employees keep pace with the latest innovations in project management, business development, and more. We also invest in partnerships with external training providers that offer specialized training and industry certifications in courses easily accessible to our teams globally.



In addition to our on-demand offerings, employees also can access over 65,000 e-learning courses from the licensed marketplace in all business areas highlighted in this report.

Mandatory Regulatory Training Programs: We provide mandatory regulatory training to educate our employees on the importance of working safely and responsibly. Topics include anti-money laundering, anti-bribery and corruption, sanctions laws, and cybersecurity awareness programs, which are administered to 98% of employees globally.

Virtual and In-Person Training: The L&D Team regularly offers programs with a blended learning approach, combining virtual training sessions with in-person workshops and seminars. The programs allow our employees to engage in interactive and immersive learning experiences, collaborate with colleagues, and test their knowledge in real-world scenarios.

Leadership Development Programs: In 2022, more than 370 global leaders, representing 65% of the IBKR leadership workforce, took part in the leadership development programs on our L&D platform. We also offered several courses in live (facilitated) environments, including IBKR Leadership Fundamentals, Communications Training, Project Management, Performance Management, and Growth Mindset. These courses continued to equip leaders and aspiring leaders with the skills and competencies they need to inspire teams, drive innovation, and navigate the complex challenges of today's business world.

Physical Security and Safety at Interactive Brokers

Interactive Brokers follows a comprehensive physical security and safety strategy designed to protect our employees and assets. Our program is managed by our Corporate Security department and reinforced by access control, visitor management, and CCTV throughout most of our locations to ensure that only authorized individuals are allowed access to our offices and secure areas. Our program is supported by guidance and resource materials on topics such as Workplace Violence Prevention to help create a safe working environment for our employees. Our travel safety and security program provides our employees with 24/7 assistance for medical emergencies, security incidents, and general inquiries during business travel.

Ethics and Integrity at Interactive Brokers

Interactive Brokers' Code of Business Conduct and Ethics holds all employees, executives, and directors accountable for preserving the integrity, ethics, and reputation of Interactive Brokers. Our employees are required to report any potential or actual violations of the code, company policies, and laws and regulations. We also offer a "whistleblower" channel, Navex EthicsPoint Hotline, for employees, directors, vendors, and shareholders to report violations on a secure and anonymous basis. We distribute the reports to authorized personnel who are responsible for review, including our lead independent director, the Chair of our Audit Committee. We also complete confidential investigations and implementation of corrective measures as necessary. We do not tolerate retaliation against employees or others who report concerns in good faith. A copy of our Code of Business Conduct and Ethics appears on our website.

Promoting Financial Literacy

We provide comprehensive, free educational tools that help our clients navigate the financial markets more confidently. IBKR Campus is our financial literacy platform. IBKR and related educational resources offer a wealth of materials, including courses, webinars, videos, podcasts, and blogs that our clients can use to cover everything from learning about investing for the first time to sharpening their trading and investment skills.

Each month, roughly 328,896 pageviews (monthly average) access Traders' Insight, Traders' Academy, and IBKR Webinars.

Unique Users for IBKR Campus
~79K

Unique Academy Pageviews
~240K

Total Training Courses
70

Traders' Academy: IBKR's Traders' Academy is an online learning platform designed to educate traders of all levels, from beginners to advanced professionals. It offers a wide range of self-paced courses, interactive webinars, video tutorials, and articles covering various topics including trading strategies, technical analysis, risk management, and more. In 2022 and 2023, we added 34 new and revamped courses, expanding our library to include more than 70 courses.

IBKR Campus Top Users by Country

US **376,681**	India **13,109**
Canada **41,056**	Singapore **12,798**
United Kingdom **19,201**	Australia **12,185**
Hong Kong **16,439**	Spain **9,792**
Germany **13,144**	Russia **6,981**

Webinars and Podcasts: We regularly host live webinars and podcasts presented by industry experts and seasoned traders. These interactive sessions cover a broad spectrum of trading topics, providing valuable insights, practical tips, and real-world examples to help participants improve their trading skills and decision-making abilities.

Video Tutorials: Our library of video tutorials offers step-by-step guidance on various aspects of trading, platform features, order types, and risk management tools. These videos provide visual demonstrations and explanations to help clients better understand and utilize the trading tools available on our platforms.

Educational Articles and Insights: Our educational articles and market insights cover a wide range of topics, including market trends, trading strategies, macroeconomic analysis, and more. These resources provide in-depth analyses, practical guidance, and timely market updates to help investors make well-informed trading decisions.

Traders' Insight: We create market commentary for the public and provide analyses from nearly 100 industry professionals. Traders' Insight also contains content from Interactive Brokers' Chief Strategist and its Senior Economist.

IBKR Quant Blog: A blog for quantitative professionals with an interest in programming, deep learning, API, AI, Blockchain, and other transformative technologies. The IBKR Quant Blog provides quantitative and coding content for financial technology professionals and programmers. The blog's articles typically include helpful code snippets from Java, Python, Excel API, R-Development, Julia Development, and C# programming languages.

Demos and Simulations: We provide demo accounts and simulation tools that allow clients to practice trading strategies, test new ideas, and familiarize themselves with our trading platforms without risking actual money. These tools provide a risk-free environment for traders to gain hands-on experience and build confidence before executing live trades.

Student Trading Lab: A free online resource for educators looking to blend finance or computer science classwork with real-world trading experiences. College professors and high school teachers from around the world use the IBKR Student Trading Lab to supplement classwork. Students can trade in nearly all the markets and products available to our clients. Finance instructors use the Student Trading Lab to teach students about trading and markets, and computer science instructors use our APIs to teach coding.

IB Student Trading Lab	
# of Countries Served	81
# of Universities and High Schools	775
# of Educators	2,068
# of Students	66,887

While we believe our offerings are quite comprehensive, we are committed to expanding them.

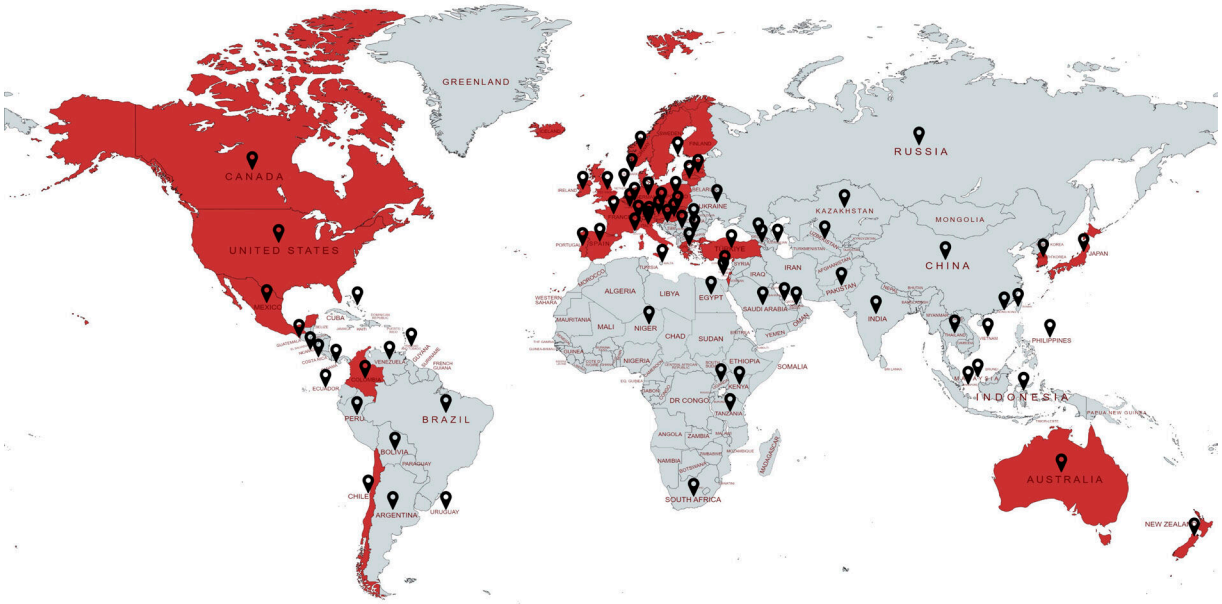
Promoting Financial Literacy (continued)

Research and Analysis Tools: We offer a suite of research and analysis tools that help traders access valuable market data, perform technical and fundamental analysis, and make informed trading decisions. These tools include real-time market data, advanced charting capabilities, scanning tools, news feeds, and more.

Trading Glossary and Frequently Asked Questions (FAQs): Our comprehensive trading glossary defines and explains commonly used trading terms and concepts. Additionally, our FAQ section addresses common queries related to trading, account management, and platform functions.

Client Support: Our dedicated client support teams are available to assist clients with any questions or concerns they may have regarding trading, account features, or educational resources. Clients can reach out to our support channels for personalized assistance and guidance.

Student Trading Lab Geographic Location Map[10]



[10]Highlighted in red are Organization for Economic Co-Operation and Development (OECD) Countries.

Environmental Stewardship

Climate Change and Our Business

At Interactive Brokers, we strive to minimize our environmental impact, including our greenhouse gas emissions (GHG). We have taken several organizational steps to facilitate this.

Our Environmental Standards framework provides guidance for the management of greenhouse gases, energy, waste management, and recycling in our offices as we continue to improve our environmental stewardship. As of 2022:

- Our Boston, Dublin, Shanghai, and Singapore offices are LEED certified.
- Our London office is BREEAM certified.
- Our London and Hong Kong offices are Wiredscore certified.

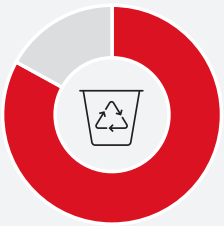
Our Environmental and Social Policy Statement (available on our website) sets forth what we require and expect from our employees and supply chain members.

Energy

In 2022, we completed an environmental review to assess current conditions and determine improved practices for energy management in our offices, which accounts for the majority of our energy consumption and greenhouse gas emissions. We reduced energy consumption by installing energy-efficient LED lights with automated sensors in many of our offices.

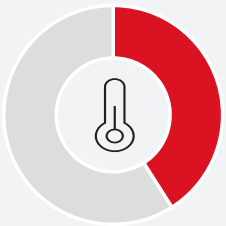
23 of our offices and data centers use renewable power sources, representing approximately 46% of our operational footprint; while 64% of our data centers' third-party providers use renewable power.

At several of our offices, we implemented an energy management system that reduces consumption by heating, ventilation, air conditioning (HVAC), and lighting equipment. Several offices have installed water-saving devices in kitchens and lavatories, including low-flow toilets and faucets with aerators that turn off quickly.



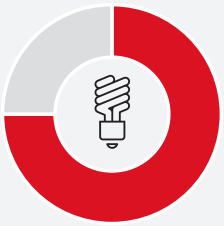
Recycling

83%
of our offices have recycling programs



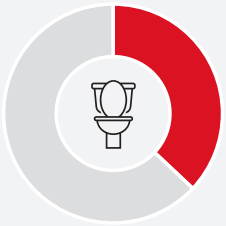
Auto Temperature Controls

41%
of our offices use automatic temperature controls



Energy Efficient Light Bulbs

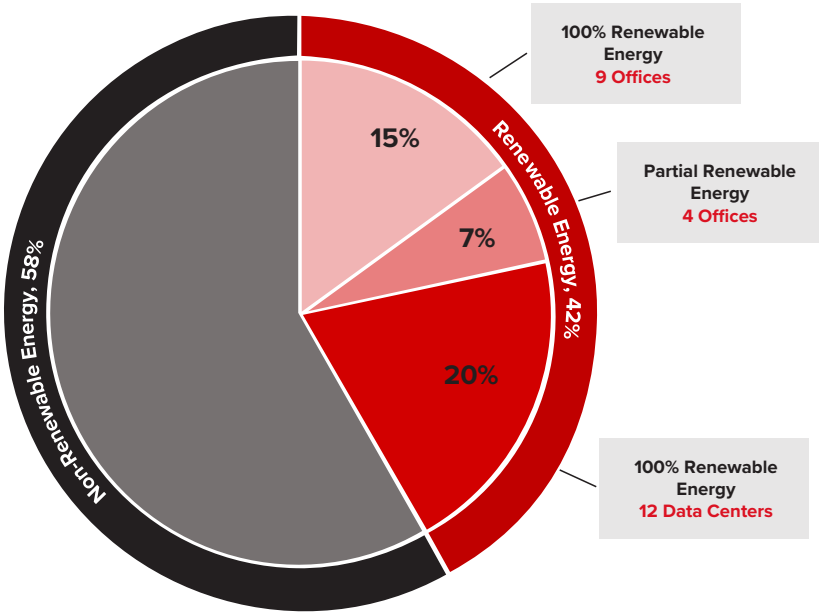
75%
of our offices use energy efficient light bulbs



Low-flow Water Controls

37%
of our offices implement low-flow toilets

Office Renewable Energy[11]



[11]Office and data center renewable energy includes RECs.

Greenhouse Gas Emissions

We are reducing our GHG by procuring renewable energy where feasible. We also purchase renewable energy certificates for several of our offices where we do not have control over the energy options provided to our office spaces.

In August 2022, we invested in a GHG management and accounting system that helps us measure our Scope 1 and 2 emissions, including electricity, steam, gas, diesel, and Scope 3. We hired a third-party auditor to assure our Scope 1 and 2 inventory. We developed a GHG Data Collection Methodology, a system that provides detailed instructions for the GHG data collection process to calculate and track our Scope 1 and Scope 2 emissions in line with industry standards[12].

Waste Management

Our office recycling programs segregate waste according to local guidelines[13].

In many locations paper, plastic, old electronics, and toner cartridges are collected separately and recycled appropriately. We are phasing out paper and plastic in our office pantries.

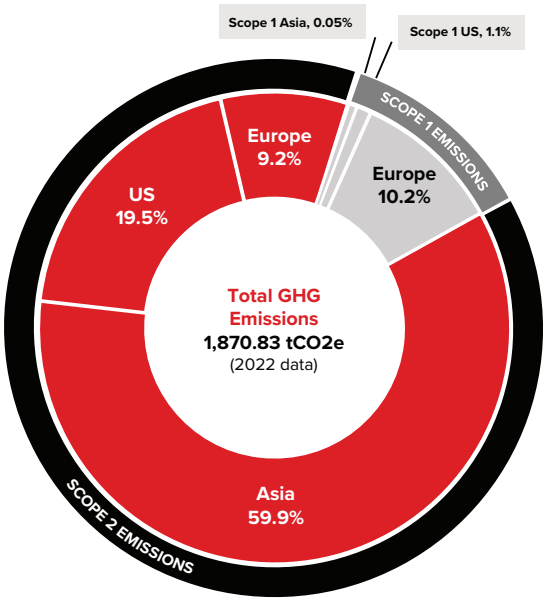
We continue to encourage employees to use digital copies and, when hard copies are necessary, to use recycled or eco-friendly paper. Several offices now have disposal solutions for obsolete e-waste such as mobile phones, tablets, cameras, chargers, headphones, and other small electronic devices. In some locations, building management offers e-waste collection and in others, local partners work with charitable organizations to repurpose our electronics.

Responsible Sourcing

We enhanced our procurement functionality in 2022 by hiring a Head of Procurement, and we are developing a Procurement Policy and a Vendor Management Office (VMO) system. As we roll out this functionality, we are improving how we evaluate our vendors for responsible sourcing. The procurement department will integrate a third-party lifecycle management process, as appropriate, to include vendor identification, risk assessment, due diligence, onboarding, contracting, performance management, governance, compliance, and offboarding.

We are committed to conducting business in a responsible and ethical manner and expect the same commitment from our vendors. We expect our vendors to comply with applicable laws and regulations. Our expectations and requirements are detailed in our Vendor Code of Conduct. This includes regulations for environmental compliance, workplace health and safety, labor practices, and human rights. In addition, critical vendors must have management systems and practices in place to prevent money laundering, insider trading, conflicts of interest, and fraud. As part of the onboarding process, where relevant, certain vendors may need to submit documented environmental credentials and complete due diligence questionnaires. Please see our Vendor Code of Conduct on our website for additional information.

GHG Emissions Data with Renewable Energy Certificates (RECs)



2022 Scope 1 Total Emissions:

Asia: 0.44% (0.94 tCO2e)

North America: 9.84% (20.89 tCO2e)

Europe: 89.72% (190.43 tCO2e)

2022 Scope 2 Total Emissions:

Asia: 67.58% (1,120.81 tCO2e)

North America: 22.04% (365.59 tCO2e)

Europe: 10.38% (172.17 tCO2e)

[12] Ramboll provided limited assurance under ISO 14064-3:2019 for fiscal year 2022. Based upon the process and procedures conducted, there is no evidence that the Scope 1 and 2 GHG assertion for the FY22 is not materially correct and is not a fair representation of GHG data and information.

[13] Not all IBKR offices have recycling programs.

Resilience

As one of the premier global securities firms, we execute and clear millions of trades every day for clients. Maintaining high-level cybersecurity practices is crucial. We aim to protect safety and privacy by continually improving and monitoring our digital infrastructure.

Our Chief Information Security Officer leads our multifaceted Information Security program, which includes people, processes, and technology to provide ongoing protection for the confidentiality, integrity, and availability of our systems and client data.

We align our security program to the National Institute of Standards and Technology's (NIST) Cybersecurity Framework. Our security program is audited annually by an external auditor using the American Institute of Certified Public Accountants' Trust Services Criteria as documented in the resulting Service Organization Control (SOC 2) report. This report is summarized on our website, along with instructions on how to request the report. Our Information Security Committee meets on a monthly basis to make decisions related to cybersecurity risk; provide support and oversight regarding the development, implementation, and operation of our Information Security program; and discuss emerging threats. The program is further aligned with our Enterprise Risk Management Framework, which enables us to effectively handle cybersecurity risks associated with daily operations and facilitate resilience against existing or potential threats.

Our Information Security team engages external security firms to provide independent penetration testing of systems and applications, using a risk-based methodology. To further strengthen our ability to protect against real-world attacks, the Information Security program has tasked an internal "red team" with conducting periodic security testing of Interactive Brokers' systems throughout the year.

Auditing and Assurance

Our Internal Audit department provides independent, objective assurance designed to add value and improve operations. The mission of internal audit is to enhance and protect organizational value by providing risk-based and objective assurance and advice. The Internal Audit department brings a systematic, independent, and disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes. The Internal Audit department's governing principles adhere to best practices as defined by the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing, and the Definition of Internal Auditing.

Creating a Culture of Security

We have robust systems to ensure that we are safe from cyber fraud. These include automated systems and regular training of our staff to ensure that they recognize suspicious cyber activity. Accordingly, the Information Security team has developed a security awareness program that includes best practices for cybersecurity and personal data protection, interactive security webinars, written communications on specific security-related topics, and validation of learning through knowledge-based assessments, as well as practical exercises designed to simulate real-world threats.

The Information Security program's cornerstone is a set of cybersecurity policies, procedures, and technical capabilities that:

- Establish cybersecurity governance and oversight processes.
- Implement measures to protect the company's technology and information assets, including our clients' information.
- Identify and address risks related to cybersecurity.
- Identify and address risks associated with access to client information and fund-transfer requests.
- Identify and address risks associated with vendors and other third-parties.
- Detect unauthorized activity and assess and mitigate the impact of cyber-attacks.
- Provide for preparedness for cyber-attacks, including the development of a Computer Security Incident Response Plan.
- Engage the company's workforce with appropriate training in cybersecurity and data protection best practices, validated by knowledge-based assessments as well as practical exercises, along with pertinent information from IBKR's cybersecurity policies.
- Establish a protocol for reporting cyber breaches.

Data Protection

We use a layered approach to safeguarding our clients' personal data, including the use of secure data centers and offsite storage facilities; encryption during storage and transmission; network segmentation, identity, and access management; and monitoring for data loss. This layered approach is coordinated with cybersecurity controls such as system endpoint protection and anti-malware controls.

Security Operations and Cyber Incident Response

We utilize a variety of information sources to remain aware of current and emerging threats, including formal and informal threat intelligence-sharing groups, public and proprietary bulletins, and automated feeds that inform of potential security concerns. We utilize a Security Operations Center that conducts cyber threat monitoring using security telemetry from data sources throughout the company. Events are analyzed for relevance and escalated to the company's Cybersecurity Incident Response team. Our incident response team includes our external vendor who provides 24/7 monitoring.

Data Privacy

We are committed to protecting the privacy of personal data. We have in place a global privacy program designed to protect the privacy and security of personal data. As part of this program, we have implemented policies and procedures (including the Privacy Policy and Cookie Policy on our website) that detail our privacy practices. These include a Personal Data Breach Policy and Procedure, a Data Subject Access Request Handling Procedure, a Data Subject Rights Procedure, a Data Protection Impact Assessment Policy, and a Personal Data Protection Policy. We have a robust data privacy governance structure in place and a senior lead devoted to data protection issues. Our internal audit function serves as a third line of defense for meeting our data privacy obligations. Employees globally are required to complete mandatory data privacy training when they are hired and annually thereafter. Training completion is tracked and documented.

We are committed to implementing security controls to protect personal data. Our global Information Security program is led by our Chief Information Security Officer. We apply technical and administrative security measures to protect the personal data we hold. These measures include access controls (at infrastructure, OS, database, and application levels), encryption at rest and in transit, audit trails, authentication measures, penetration testing, vulnerability scanning, regular patching, and 24x7 security monitoring. These measures and controls are enforced across Interactive Brokers' affiliates, branches, and data centers.

Risk Management and Compliance

We prioritize the safety and security of our client's investments and the integrity of our operations. Our robust risk management program employs a comprehensive framework that combines advanced technology with a culture of risk awareness. The program is designed to identify, assess, and mitigate risks across areas of our business.

Compliance Management

Our Compliance department supports and helps confirm that we operate our business in accordance with applicable regulatory requirements. The Global Chief Regulatory Officer (GCRO) is the senior executive responsible for the Compliance department. This department includes general Compliance and Anti-Money Laundering (AML), with a Chief Compliance Officer (CCO) for each of our electronic brokerage subsidiaries. Each CCO reports to the Chief Executive Officer (CEO) or business head for their subsidiary in addition to the GCRO (or regional Compliance head). We have documented appropriate policies that identify and assess money laundering, terrorist financing, sanctions risk, and its predicate crimes, such as securities fraud, insider trading, market manipulations, terrorist financing, and sanctions violations in accordance with each subsidiary's local regulations and procedures.

Monitoring Systems

The philosophy of the Compliance department, and the company as a whole, is to build automated systems that minimize manual steps in the compliance process and then augment these systems with experienced employees who apply their judgment where needed. We built automated systems to handle wide-ranging compliance issues such as trade and audit trail reporting, enforcement of short sale rules, enforcement of margin rules and pattern day trading restrictions, review of employee correspondence, archiving of required records, execution quality and order routing reports, approval and documentation of new client accounts, surveillance of client trading for market manipulation or abuse or violations of exchange rules, and anti-money laundering (AML) and anti-fraud surveillance in line with our AML policies. Our automated operations and compliance systems provide substantial efficiencies to our Compliance department, reduce costs, and have allowed for universal checks that do not discriminate and are not corruptible.

As part of this continuing effort to meet best practices, we have implemented a robust case management and surveillance system and increased our Compliance staffing over the past several years to meet the growing regulatory requirements faced by industry participants.

Client Protection

We take a proactive approach to client protection. Our technology drives computations that determine the amount of cash and securities owed to clients daily and segregates funds for their exclusive benefit, along with a conservative buffer, where permitted. We were one of the first broker-dealers approved by FINRA to calculate our client reserve obligation daily (under Rule 15c3-3), while the industry standard is to do so on a weekly or monthly basis.

Anti-Money Laundering (AML)

We are fully committed to combating money laundering and other financial crimes, upholding the highest standards of integrity, and providing a safe and secure financial ecosystem. To achieve these goals, we implemented robust AML and enhanced due diligence programs that serve as pillars of our risk management framework. Our AML program is designed to detect, prevent, and report any suspicious activities that may be indicative of money laundering, terrorist financing, or other illicit financial activities. We implemented stringent policies, procedures, and controls that align with global regulatory requirements, industry best practices, and evolving AML frameworks. In line with regulatory requirements under the USA Patriot Act, EU AML Directive, and other rules, we have established a comprehensive AML program that includes the following:

- AML and client identification procedures.
- Designated AML compliance officers for our electronic brokerage subsidiaries.
- Formal AML training is provided to our AML, client-facing, and other relevant employees.
- Regular independent audits of our AML program, AML Screening.
- We screen using a mix of automated and manual reviews structured to comply with regulations in various jurisdictions.
- We collect required information through our new account opening process and screen accounts against databases for identity verification and review of potential negative information and appearance on government sanction lists, including the Office of Foreign Assets and Control, Specially Designated Nationals and Blocked Persons lists, and several other global, United Nations, EU, and other non-U.S. sanction lists.
- We designed and implemented restrictions to prevent certain types of high-risk activity, including potentially manipulative patterns of trading or higher-risk patterns of money movement.
- We generate and review a sophisticated suite of surveillance reports and queues to identify potential money laundering, market manipulation or abuse, fraud, and other suspicious activities.

Anti-Bribery and Corruption

Interactive Brokers' policy prohibits all forms of bribery. We are committed to strict compliance with the U.S. Foreign Corrupt Practices Act and applicable anti-corruption laws in other jurisdictions where Interactive Brokers conducts business. Our Anti-Bribery and Corruption Policy prohibits employees, officers, directors, and agents from offering, promising, giving, requesting, soliciting, agreeing to accept, or accepting a bribe in connection with Interactive Brokers' business in either the public or private sector.

Sanctions

Interactive Brokers is committed to complying with sanctions issued by the U.S. Treasury Office of Foreign Assets Control as well as the United Nations, EU, and other applicable sanction measures. The Sanctions Policy establishes firm-wide requirements for managing sanctions compliance risk by identifying and preventing activities prohibited by relevant sanctions requirements.

Anti-Fraud, Antitrust and Anti-Competitive Behavior

All employees, officers, and directors must comply with applicable antitrust and similar laws that regulate competition in the countries in which we operate. We have zero tolerance for fraud and expect all employees to conduct themselves accordingly.

Regulatory Compliance

Our securities and derivatives businesses are extensively regulated by U.S. federal and state regulators, foreign regulatory agencies, and numerous exchanges and self-regulatory organizations of which our subsidiaries are members. Our approach to regulatory requirements has been to build many of our regulatory and compliance functions into our integrated order routing, custodial, client onboarding, and transaction processing systems, and augment these systems with experienced employees.

Enterprise Risk Management (ERM)

We maintain conservative and robust market risk management policies. Our Market Risk Management Committee (which includes our CEO, CFO, COO, and other senior executives and market risk experts) continuously monitors and evaluates our risk management policies, including the implementation of policies and procedures to enhance the detection and prevention of potential events to mitigate margin losses.

We also have a designated Enterprise Risk group headed by our Chief Risk Officer and overseen by the Enterprise Risk Committee. We manage the financial and operational risk inherent in our business and limit potential exposure to incidents by maintaining a robust and comprehensive control environment, and stress testing risk exposures to maintain adequate financial buffers. This includes comprehensive stress testing of capital and liquid assets using both systemic (market) and idiosyncratic stress events.

Consistent with industry best practices, we utilize a "three lines of defense" model to embed accountability and ownership for risks and controls at all levels throughout the company. Through this model, risk ownership is aligned to first-line business functions and is subject to independent oversight and challenge from our ERM and Internal Audit teams in the second and third lines of defense, respectively. Our ERM team provides independent oversight of Interactive Brokers' risk profile and provides quarterly reports to the Enterprise Risk Committee, comprising leaders from across the company, and more frequently to business leaders in the first line of defense. The Enterprise Risk Management Framework (ERMF) identifies, assesses, and monitors capital, market, liquidity, credit, operational (including resiliency, legal, vendor, and outsourcing), technology, and information security risks to confirm that risk exposures remain within our risk appetite. The ERM team conducts a comprehensive risk assessment at least annually and undertakes targeted risk assessments of selected areas on an ad hoc basis. The team monitors a suite of key risk indicators on an ongoing basis to identify and mitigate outsized risk exposures.

We designed our control environment to keep our services resilient during periods of extreme financial market volatility and/or during and after operational events that may cause significant business disruptions. These controls are periodically assessed for design appropriateness and operating effectiveness by both our ERM and Internal Audit functions. In addition, an Independent Service Auditor annually examines our brokerage operations system and the suitability of the design and operating effectiveness of the related controls; this is reported in the Service Organization Control (SOC 1) report.

Conservative and Prudent Risk Management

We invest client cash in short-term government securities that mature in a few months:

- As assets mature, we continuously roll them forward into freshly issued securities.
- As interest rate sensitivity is low, the realized loss would be minimal if they ever needed to be sold. We are required to mark all investments to market and regularly report their value to regulators and investors so that any issues are immediately recognized. In contrast, the risk management policies of banks do not require them to immediately recognize losses on their held-to-maturity investments and invest in longer-term assets to maximize their current profits. Our prudent risk management allows us to pay higher rates on deposits and charge the lowest rates on margin loans because we are always invested in the current short-term benchmark rate.

Business Continuity and Disaster Recovery

We have robust business continuity and disaster recovery plans in place to facilitate stable operations during and after adverse events. Our plans include redundant systems, data backups, and alternate trading venues to mitigate the impact of potential disruptions. Regular testing and simulation exercises help validate the effectiveness of our plans and identify areas for improvement.

In conclusion, while this sustainability report identifies what we have accomplished already, we look forward to demonstrating our continued progress in our next report.

Appendix A. Governance Tables

Information Required	Location or Reference	Page Number or Information
Leadership and Governance Disclosure Topics		
Audit Committee Structure	Proxy Statement	Audit Committee (page 11). https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
Auditor Change	Proxy Statement	Item 2. https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
Auditor Fees	Proxy Statement	Fees Paid to Independent Registered Public Accounting Firm (page 32). https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
Board Diversity	Proxy Statement	Board Diversity (page 10). https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
Board Experience	Proxy Statement	Nominees for Election to our Board (page 7). https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
Board Independence	Proxy Statement	Director Independence (page 12). https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
Board Tenure	Proxy Statement	Board Leadership Structure (pages 8-9). https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
CEO Pay	Proxy Statement	Summary Compensation Table (page 19). https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
Conflict of interest policies or description of how the board ensures that conflicts are prevented or mitigated	Proxy Statement	Review, Approval or Ratification of Transactions with Related Persons (page 31). https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
Director Appointment & Removal	Proxy Statement	Election of Directors (page 7). https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
Director Stock Ownership	Proxy Statement	Page 28. https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
LTI Performance Metrics	Proxy Statement	Financial Performance Measures (page 23). https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
Ownership Structure	10-K	Page 3 of 10-K. https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
Pay for Performance	Proxy Statement	Compensation Discussion and Analysis (page 15); Setting Executive Compensation (page 15); Elements of Compensation (page 16); Pay versus Performance (page 21). https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
Pay Magnitude	Proxy Statement	Compensation Discussion and Analysis (page 15); Pay Ratio Disclosure (page 20). https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
Proportionality - One Share/One Vote	10-K	Exhibit 4.1. https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php

Appendix A. Governance Tables

Information Required	Location or Reference	Page Number or Information
Leadership and Governance Disclosure Topics		
Related Party Transactions	Proxy Statement	Review, Approval or Ratification of Transactions with Related Persons (page 31). https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
Risk Oversight	Proxy Statement	The Board's Role in Risk Oversight (page 10). https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
Say on Pay	Proxy Statement	Compensation Discussion and Analysis (page 15); Setting Executive Compensation (page 15); Elements of Compensation (page 16). https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
STI Performance Metrics	Proxy Statement	Pay versus Performance (page 21); Compensation Discussion and Analysis (page 15); Elements of Compensation (page 15). https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php
Total compensation ratio of highest paid individual to the median annual compensation of all employees	Proxy Statement	Page 20. The median of the annual total compensation of all employees of our Company (other than our Chief Executive Officer and President) was approximately $83,972; The annual total compensation of our Chief Executive Officer and President was $14,041,987 (as disclosed in the Summary Compensation Table herein); Based on this information, the ratio of the annual total compensation of our Chief Executive Officer and President to the median employee was 167 to 1.
Voting Structures	Proxy Statement	Page 2. https://investors.interactivebrokers.com/en/general/about/annual-report-and-proxy.php

Appendix B. Sustainability Accounting Standards Board (SASB) Index

Disclosure Topic	Disclosure Number	Disclosure Metric	Location or Reference
Investment Banking & Brokerage			
Employee Diversity & Inclusion	FIN-IB-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non executive management, (3) professionals, and (4) all other employees	IBKR 2022 Sustainability Report “Diversity, Equity and Inclusion”, Page 18.
Incorporation of Environmental, Social & Governance Factors in Investment Banking & Brokerage Activities	FIN-IB-410a.1	Revenue from (1) underwriting, (2) advisory, and (3) securitization transactions incorporating integration of environmental, social, and governance (ESG) factors, by industry.	Not applicable to IBKR's business model, except for what is described on Page 12.
	FIN-IB-410a.2	(1) Number and (2) total value of investments and loans incorporating integration of environmental, social, and governance (ESG) factors, by industry.	IBKR does not provide loans and investments other than margin loans. Not applicable to IBKR's business model.
	FIN-IB-410a.3	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment banking and brokerage activities.	Interactive Brokers is not a bank, investment or asset management organization except for what is described on Page 12. IBKR is an electronic platform that does not sell products or advise clients. ESG is integrated in our platform as described in IBKR 2022 Sustainability Report "ESG Integration in our products", Page 12.
Business Ethics	FIN-IB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations.	IBKR had no material monetary losses associated with any of the legal proceedings in 2022.
	FIN-IB-510a.2	Description of whistle-blower policies and procedures.	IBKR 2022 Sustainability Report “Ethics and Integrity at Interactive Brokers”, Page 20.
Professional Integrity	FIN-IB-510b.1	Number and percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings.	Zero employees with investigations or complaints initiated in 2022. IBKR is an electronic platform that does not sell products, advise clients, or provide clients with human financial advisors. As such, complaints against individuals are very rare.
	FIN-IB-510b.2	Number of mediation and arbitration cases associated with professional integrity, including duty of care, by party.	IBKR had one recorded incident associated with professional integrity as disclosed in our 10-K report.
	FIN-IB-510b.3	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care.	During the period, the Company was subject to legal proceedings arising out of our business operations, including lawsuits and arbitrations, as well as other actions and claims. Material proceedings for the Company are disclosed in our 2022 10-K Annual Report.
	FIN-IB-510b.4	Description of approach to ensuring professional integrity, including duty of care.	IBKR 2022 Sustainability Report “Ethics and Integrity at Interactive Brokers”, Page 20.

Appendix B. Sustainability Accounting Standards Board (SASB) Index

Disclosure Topic	Disclosure Number	Disclosure Metric	Location or Reference
Systemic Risk Management	FIN-IB-550a.1	Global Systematically Important Bank (G-SIB) score, by category.	Not applicable to IBKR's business model.
	FIN-IB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities.	IBKR 2022 Sustainability Report “Enterprise Risk Management", Page 28.
Employee Incentives & Risk Taking	FIN-IB-550b.1	Percentage of total renumeration that is variable for Material Risk Takers (MRTs) - considered to be a member of management that heads a material business and/or is responsible for risk management within a business unit.	Not applicable to IBKR's business model.
	FIN-IB-550b.2	Percentage of variable renumeration of MRTs to which malus or clawback provisions were applied.	Not applicable to IBKR's business model.
	FIN-IB-550b.3	Discussion of policies around supervision, control, and validation of traders’ pricing of Level 3 assets and liabilities.	Not applicable to IBKR's business model. IBKR does not have material level 3 assets and liabilities.
Consumer Finance Standards			
Customer Privacy	FN-CF-220a.1.	Number of account holders whose information is used for secondary purposes.	Refer to Interactive Brokers Group Privacy Policy found on our website.
	FN-CF-220a.2.	Total amount of monetary losses as a result of legal proceedings associated with customer privacy.	IBKR had no monetary losses as a result of legal proceedings associated with customer privacy in 2022.
Data Privacy & Security	FN-CF-230a.3	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards.	IBKR 2022 Sustainability Report, "Resilience". Page 25.