

FARALLON CAPITAL EUROPE LLP
(the “Firm”)

MIFIDPRU 8 Public Disclosures

15 December 2023

based on figures from the Firm’s audited accounts

for financial year end 31 March 2023

1. **Introduction**

- 1.1 Farallon Capital Europe LLP (the “**Firm**”) is authorised and regulated by the Financial Conduct Authority (“**FCA**”) of the United Kingdom and is a “MIFIDPRU investment firm” as defined in the FCA Rules. The Firm is a non-SNI firm for the purposes of the rules in the Prudential sourcebook for MiFID Investment Firms (“**MIFIDPRU**”).
- 1.2 The Firm’s governing body is its management committee (the “**Management Body**”). The members of the Management Body are also partners in the Partnership and Senior Managers (SMF27s) under the UK Senior Managers and Certification Regime.
- 1.3 Under the FCA Rules (specifically Chapter 8 of MIFIDPRU), the Firm is required to make specific disclosures relating to its risk management objectives and policies, governance arrangements, own funds and remuneration policy and practices.

2. **Significant Changes Since Last Disclosure Period**

- 2.1 There have been significant changes to the information disclosed herein since the Firm’s last disclosure period as they relate to the Firm’s risk management objectives and policies (see section 3 below for further information) and remuneration policies and practices (see section 6 below for further information). These changes are primarily driven by new disclosure requirements now applicable to the Firm.

3. **Risk Management Objectives and Policies**

- 3.1 The Firm is an investment manager which provides discretionary portfolio management services to its clients. The Firm seeks investments across asset classes and around the world through a process of bottom-up fundamental research and analysis emphasising capital preservation. The Firm pursues the following investment strategies: Credit Investments, Long/Short Equity, Merger Arbitrage, Risk Arbitrage, Real Estate Investments and Direct Investments.
- 3.2 Investment ideas compete for capital based on in-depth, critical assessment of specific risks and rewards. Risk is monitored and managed through rigorous and thorough analysis of each investment and, at the portfolio level, through risk management analytics and overlay and tail-risk hedging.
- 3.3 We have set out below a summary of the harm that could potentially be caused as a result of certain categories of risks related to the Firm’s: (i) own funds requirement; (ii) requirements around its concentration risk; and (iii) requirements around its liquidity. We have also set out a summary of the strategies and processes used to manage each of these categories of risk.
- 3.4 Regarding the Firm’s approach to risk generally, the Management Body is committed to managing the Firm’s risks. It has decided that the Firm’s overall risk appetite in business operations is low and it encourages all staff to identify, escalate and minimise risks as much as possible. The Firm has a conservative approach to tax and regulatory compliance risk and employs reputable external advisors that are specialised in those areas.
- 3.5 The Firm defines “risk appetite” as the level of risk that the Management Body considers is acceptable for a given risk or group of risks. The assessment of risk takes into account the perceived or actual effectiveness of existing mitigating controls.
- 3.6 The Firm has considered whether there is any misalignment between its business strategy and its risk appetite, in particular through the analysis of different risks that could attach to the business in both a business as usual and a wind-down basis. The Firm is comfortable that, in light of this analysis, the business strategy is aligned with its risk appetite. As part of this analysis, the Firm has also considered whether there are any material risks of misalignment between the Firm’s business model and

operating model, and the interests of its clients and the wider financial markets. The Firm has concluded that there is no material risk of such misalignment.

- 3.7 The Firm has governance and internal control arrangements in place to manage risks across the business. The Firm's risk management framework is central to the Firm's Internal Capital and Risk Assessment ("ICARA") process. The risk management framework considers portfolio and trading risk, as well as enterprise risk:

Portfolio and Trading Risk

The Firm's Management Body is responsible for the risk management and portfolio management oversight of the Firm's trading strategy. The Management Body meets regularly and dedicates sufficient time to the consideration of the risks attaching to the Firm and its business.

Enterprise Risk

The Firm has in place arrangements in relation to all aspects of its business. These arrangements are grouped into four broad areas:

- Organisation and Management – the Firm maintains a clear organisational structure which is organised to maximise independence of function and to reduce internal conflicts;
- People and Responsibilities – individuals have clearly defined roles and responsibilities, and openness and communication is actively encouraged in all areas. There is an annual review and appraisal process in place for all staff;
- Business Processes – business risk is managed through the appointment of skilled senior personnel, together with a combination of formal and informal checks and balances, including from the Firm's Legal & Compliance team, combined with management oversight arrangements. The Firm maintains a close working relationship with its clients, broker counterparties and key advisers (in particular, its auditors, tax advisors and lawyers); and
- Management Information and Reporting – the importance of information as a governance tool is recognised by the Management Body. The Firm has put risk management and management information systems in place that are designed to ensure that senior management have the required information that they need for reporting.

Compliance Arrangements

The Firm has sought to embed a culture of compliance throughout the business through a combination of education and training for staff and clarity of responsibility for management. There are detailed compliance policies and procedures, and dedicated Legal and Compliance personnel.

Risks Related to the Firm's Own Funds Requirement, Concentration Risk and Liquidity

The Firm has identified the following risks of harm relating to its strategy which relate to, and are intended to be addressed by, the Firm's own funds and/or liquidity obligations:

- renegotiation of the Firm's existing funding arrangements with its clients;
- loss of the Firm's existing fee arrangements with its clients; and
- loss of a significant number of investment team members.

In the unlikely event that any of the risks identified above eventuated, the Firm could manage and mitigate the risks of harm by, for example and as applicable, reducing costs, securing further funding from its clients and/or increasing focus on retention and recruitment.

The Firm has identified the following concentration and liquidity risks:

- the Firm's income and funding arrangements are concentrated in its clients, so a breakdown in the relationship with such clients, or an event affecting the solvency of such clients, could subject the Firm to financial harm; and
- an insolvency event affecting the bank where the Firm holds its cash deposits could subject the Firm to harm or disruption.

In the unlikely event that any of the risks identified above eventuated, the Firm could manage and mitigate the risks of harm by, for example and as applicable, reducing costs and/or seeking new banking relationships.

4. **Governance Arrangements**

Oversight of Governance Arrangements by the Management Body

- 4.1 The Firm, as a MIFIDPRU Investment Firm, is subject to the organisational requirements in 4.3A.1R of the Senior Management Arrangements, Systems and Controls Sourcebook of the FCA Handbook ("SYSC").
- 4.2 Under SYSC 4.3A.1R, the Firm must ensure that the Management Body defines, oversees and is accountable for the implementation of governance arrangements that ensure effective and prudent management of the Firm, including the segregation of duties in the organisation and the prevention of conflicts of interest, in a manner that promotes the integrity of the market and the interests of the Firm's clients.
- 4.3 In order to comply with the requirement in SYSC 4.3A.3R, the Firm has procedures in place to ensure that members of the Management Body fit the following criteria:
- they are of sufficiently good repute;
 - they possess sufficient knowledge, skills and experience to perform the relevant duties;
 - they possess adequate collective knowledge, skills and experience to understand the Firm's activities, including the main risks it faces;
 - they reflect an adequately broad range of experiences;
 - they commit sufficient time to perform their functions at the Firm; and
 - they act with honesty, integrity and independence of mind, enabling them to effectively assess and challenge the decisions of senior management of the Firm where necessary, and to effectively oversee and monitor management decision-making.

- 4.4 As part of the Firm's governance arrangements and structure, the Management Body defines, oversees and is accountable for the implementation of governance arrangements that ensure effective and prudent management of the Firm. These arrangements include ensuring that the Firm and its individual functions are adequately resourced and ensuring that there is appropriate segregation of duties and responsibilities (for example, appropriate segregation of front office and middle and back office functions, including operations, trade execution and compliance functions that are separate from the investment decision-making function) in a manner that promotes the integrity of the market and the interests of clients.
- 4.5 Under the Firm's governance arrangements, the Management Body also ensures that conflicts of interest that might arise between, for instance, the interests of the Firm and members and employees, and the interests of its clients and underlying funds, or between two or more underlying funds, are avoided or managed appropriately, again, in a manner that promotes the integrity of the market and the interests of its clients. This is predominantly achieved through:
- the adoption, and regular review, by the Management Body of a comprehensive conflicts of interest policy which identifies all relevant areas of the Firm's business that could give rise to actual or potential conflicts, as well as the appearance or perceived appearance of such conflicts, and the various mitigants that the Firm has put in place either to avoid such conflicts or to manage them such that the risk of prejudice to the Firm's clients has been minimised to an appropriate level; and
 - the establishment of specific procedures as set out in the conflicts of interest policy that manage any ad hoc conflicts that arise.
- 4.6 All relevant staff report to the Management Body (either directly or to individuals who, in turn, report to the Management Body). The role of the Management Body is outlined in the Firm's compliance and procedures manual (the "**Manual**") and its Limited Liability Partnership Agreement ("**LLPA**"), which provide for certain decisions to be reserved to it. The Management Body has daily management and oversight responsibility, and meets at least quarterly to discuss significant matters affecting the Firm and to make strategic decisions. Further, special meetings of the Management Body are called as and when the need or desire arises. Under the Firm's governance arrangements, including (without limitation) the Manual and the LLPA, the Management Body (or relevant members of such):
- has overall responsibility for the business and conduct of the Firm;
 - discusses and sets the strategic direction of the Firm and the effective delivery of that strategy, including the appointment of new members and other staff, the allocation of roles from time to time of key staff, risk strategy and internal governance;
 - considers and discusses the Firm's relationship with its clients;
 - considers and discusses the impact on the Firm of any changes to the strategic direction of the Firm;
 - discusses operational changes and their impact and agrees a strategy for dealing with such matters;
 - reviews and analyses the impact of any significant regulatory or legal changes that affect the Firm;
 - sets, reviews and approves annually the Firm's ICARA and any such other material policies as the Firm is required to adopt;

- sets and reviews the Firm’s material compliance procedures, considers any material compliance breaches and determines any remedial action to be taken in light of such breaches;
- receives and reviews annual compliance, anti-money laundering and risk reports made by relevant officers of the Firm and, where relevant, mandates changes in light of such reports;
- has oversight of and ensures the integrity of the Firm’s accounting and financial reporting systems;
- has put in place internal controls that are reviewed at least annually, and cover all material controls including financial, operational and compliance controls and risk management systems;
- oversees the Firm’s public disclosures and communications with regulators;
- is responsible for providing oversight of the Firm’s personnel;
- monitors, assesses and makes changes in respect of any deficiencies found in respect of: (i) the adequacy/implementation of the Firm’s strategic objectives in the provision of investment services and activities (including ancillary services); (ii) the effectiveness of the Firm’s governance arrangements; and (iii) the adequacy of the policies relating to the provision of services to clients; and
- has adequate access to information and documents which are needed to oversee and monitor management decision-making.

All members of the Management Body are required to devote substantially their whole business time and attention to the Firm to ensure that they:

- can perform their functions within the Firm;
- diligently employ themselves in the business and conduct themselves in a proper and responsible manner and use their best skill and endeavour to promote the Firm to the Firm’s greatest advantage;
- comply with all applicable legislation, regulations and professional standards and show the utmost good faith to the Firm and the other members in all transactions; and
- act with honesty, integrity and independence of mind to effectively assess and challenge decisions where necessary and to effectively oversee and monitor management decision-making.

Directorships

- 4.7 The Firm is not a significant SYSC firm and therefore is not subject to restrictions as to the number of directorships that the members of its Management Body may hold.
- 4.8 Subject to paragraph 4.9 below, the members of the Management Body do not hold any other executive or non-executive directorships outside of the Firm.
- 4.9 This analysis does not include, in respect of each member of the Management Body:

- any directorships the member holds in an organisation which does not pursue a predominantly commercial objective (for example, a charitable organisation or a company that has been established to own the freehold to a building in which the member lives);
- separate directorships held for multiple entities within the same group; or
- separate directorships in undertakings in which the Firm or its clients hold or manage a qualifying holding.¹

Risk Committee

4.10 The Firm is not required to establish a risk committee, and so has not established such a committee.

Diversity Policy

4.11 In accordance with SYSC 4.3A.10, the Firm maintains a policy for promoting diversity in the Management Body (the “**Diversity Policy**”).

4.12 The objective of the Diversity Policy is to review and assess the composition and effectiveness of the Management Body, in light of the benefits of all aspects of diversity, including differences in educational and professional background, gender, age, nationality, skills, knowledge (including regional and industry experience), cultural background, race, disability, personality and work-style between members of the Management Body. These differences are considered in determining the optimal composition of the Management Body and when possible are balanced appropriately.

4.13 All appointments to the Management Body are made on merit against objective criteria having due regard for the benefits of diversity within the Management Body (for example, also taking into account whether an appointment would complement and expand the knowledge, skills, diversity and experience of the Management Body as a whole). Where the Management Body is considering appointing candidates to the Management Body, it ensures that objective criteria are defined for any such position that include measurable skills, experience, knowledge and personal qualities. The Management Body, in conjunction with the Firm’s Legal & Compliance team and Farallon group HR team, where applicable, ensure that these criteria above do not place any candidate with a protected characteristic at a disadvantage.

4.14 Accordingly, the Firm meets and upholds the objectives of the Diversity Policy, and considers that the objectives of the Diversity Policy are being achieved.

5. Own Funds and Own Funds Requirement

Own Funds

5.1 The Firm is subject to the disclosure requirements stipulated in MIFIDPRU 8.4.1 R. As such, the tables below set out:

- details of common equity tier 1 items, additional tier 1 items, tier 2 items, and the applicable filters and deductions applied in order to calculate the own funds of the Firm (i.e., a composition of regulatory own funds); and
- a reconciliation of the Firm’s composition of regulatory own funds with the capital in the balance sheet in the audited financial statements of the Firm.

¹ A qualifying holding is a direct or indirect holding in an undertaking which represents 10% or more of the capital or of the voting rights, or which makes it possible to exercise a significant influence over the management of the undertaking in which that holding subsists.

Note: The common equity tier 1 instruments issued by the Firm consist of members' capital. The members' capital has been issued on an ad hoc basis as and when new Firm members have been admitted or when the Firm has required additional capital. The Firm members' capital does not have a nominal value. Its value reflects the amount paid in by the relevant member. Under the terms of the Firm's LLPA, the Firm members' capital is non-convertible and perpetual (it does not have a maturity date), carries no right to dividends, coupon or other forms of income (instead, Firm members may, at the discretion of the Managing Members be awarded a share in the profits of the Firm at the end of the financial year) and is subject to restrictions on withdrawal consistent with the requirements of MIFIDPRU 3.3.17 R.

OF1. Composition of regulatory own funds as at period end 31 March 2023			
	Item	Amount (GBP thousands)	Source based on reference numbers/letters of the balance sheet in the audited financial statements
1	OWN FUNDS	2,603	See line item titled "Members' other interests", which can be found in the Statement of Financial Position in the section headed "Total members' interests"
2	TIER 1 CAPITAL	2,603	See line item titled "Members' other interests", which can be found in the Statement of Financial Position in the section headed "Total members' interests"
3	COMMON EQUITY TIER 1 CAPITAL	2,603	See line item titled "Members' other interests", which can be found in the Statement of Financial Position in the section headed "Total members' interests"
4	Fully paid up capital instruments	2,461	See line item titled "Members' capital", which can be found in the Statement of Financial Position in the section headed "Equity"

5	Share premium		
6	Retained earnings		
7	Accumulated other comprehensive income		
8	Other reserves	142	See line item titled "Other reserves", which can be found in the Statement of Financial Position in the section headed "Equity"
9	Adjustments to CET1 due to prudential filters		
10	Other funds		
11	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1		
19	CET1: Other capital elements, deductions and adjustments		
20	ADDITIONAL TIER 1 CAPITAL	0	
21	Fully paid up, directly issued capital instruments		
22	Share premium		
23	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1		
24	Additional Tier 1: Other capital elements, deductions and adjustments		
25	TIER 2 CAPITAL	0	
26	Fully paid up, directly issued capital instruments		
27	Share premium		
28	(-) TOTAL DEDUCTIONS FROM TIER 2		
29	Tier 2: Other capital elements, deductions and adjustments		

OF2. Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements				
		Balance sheet as in published/audited financial statements	Under regulatory scope of consolidation	Cross-reference to template OF1
		(GBP thousands, as at period end 31 March 2023)		
Assets (breakdown by asset classes according to the balance sheet in the audited financial statements)				
1	Tangible Assets	97		
2	Debtors: amounts falling due within one year	668		
3	Cash and cash equivalents	2,885		
4	Total Assets	3,650		
Liabilities (breakdown by liability classes according to the balance sheet in the audited financial statements)				
1	Creditors; Amounts falling due within one year	(1,047)		
2	Total Liabilities	(1,047)		
Members' interests				
1	Members' capital	2,461		OF1:4
2	Other Reserves	142		OF1:8
3	Loans and other amounts due to members	0		
4	Total Members' interests	2,603		

Own Funds Requirements

5.2 The below table relates to the Firm's own funds requirements under MIFIDRU 4.3. Figures are provided in GBP thousands as at period end 31 March 2023.

K-Factor Requirement (calculated by the Firm in accordance with MIFIDPRU 4.6)	The Firm's K-Factor Requirement is: £899	The Firm's K-Factor Requirement can be further broken down as follows:
		the sum of: - the K-AUM requirement; - the K-CMH requirement; and - the K-ASA requirement, which is: £892
		the sum of: - the K-COH requirement; and - the K-DTF requirement. which is: £7
		the sum of: - the K-NPR requirement; - the K-CMG requirement; - the K-TCD requirement; and - the K-CON requirement, which is: £0
Fixed Overheads Requirement (calculated by the Firm in accordance with MIFIDPRU 4.5)	The Firm's Fixed Overheads Requirement is: £2,151	

5.3 As part of its ICARA process, the Firm assesses the adequacy of its own funds in accordance with the overall financial adequacy rule in MIFIDPRU 7.4.7 R.

5.4 In particular, the Firm assesses the amount of own funds it requires to:

- address any potential harms it has identified which it has not been able to mitigate;
- address any residual harms remaining after mitigation; and
- ensure an orderly wind down of its business.

- 5.5 As the Firm is not an SNI firm, it is required to use its K-factor requirement as a starting point for determining the appropriate amount of own funds to cover risks of harm to the business as a going concern, to the extent that such risks have not or cannot be mitigated.
- 5.6 The Firm assesses whether and to what extent a K-factor requirement covers each risk of harm identified during the ICARA process on a going concern basis (to the extent the risk of harm is not or cannot be adequately mitigated).
- 5.7 For this purpose, each risk of harm that is not adequately mitigated is mapped to the corresponding K-factor requirement. To the extent that the applicable K-factor requirement is insufficient to cover the post mitigation risk of harm or to the extent that there is no applicable K-factor requirement, the Firm will calculate a suitable amount of additional capital.
- 5.8 As part of its ICARA, the Firm also assesses the level of own funds that it would need in order to effect an orderly wind down, taking into account any additional risks of harm it identifies and whether the Firm's fixed overheads requirement adequately covers such risks.

6. **Remuneration Policy and Practices**

Qualitative disclosures

- 6.1 The Firm's approach to remuneration for staff² can be summarised as follows:
- **Philosophy:** The Firm's remuneration policies and practices are driven by its desire to reward its staff fairly and competitively, but at the same time create a culture of principled behaviour and actions (particularly with regards to the areas of risk, compliance, control, conduct and ethics). As such, the Firm's remuneration policies and practices have been designed so as to contribute to the achievement of the Firm's objectives, but in a way that does not encourage excessive risk-taking or the violation of applicable laws, guidelines and regulations, and which takes the capital position and economic performance of the Firm over the long term into account.
 - **Linkage between variable remuneration and performance:** The total amount of an individual's variable remuneration will always be based on a combination of the assessment of the performance of the individual, the business unit concerned and the overall results of the Firm. The main performance objectives comprise both financial as well as non-financial criteria, and both are taken into account when assessing individual performance.
 - **Categories of staff eligible to receive variable remuneration:** All staff are eligible to receive variable remuneration.
- 6.2 As indicated above, the Firm's objective in using financial incentives for its staff is to contribute to its strategic objectives, but in a sufficiently prudent manner that does not encourage excessive risk-taking or the violation of applicable laws, guidelines, and regulations, and which takes into account the capital position and long term economic performance of the Firm.
- 6.3 The below is a summary of the decision-making procedures and governance surrounding the Firm's remuneration policies and practices (which the Firm is required to adopt under SYSC 19G (the "MIFIDPRU Remuneration Code")):

² The term 'staff' as used here should be interpreted broadly to include, for example, employees, partners and secondees.

- The Management Body has adopted remuneration policies and practices in line with the rules and guidance laid down by the FCA and the MIFIDRU Remuneration Code, and is responsible for the implementation of such policies and practices.
- The Management Body reviews, at least annually, the Firm’s policies in accordance with the guidance and rules in SYSC 19G.3.
- The Management Body ensures that the Firm, at least annually, conducts an internal review of whether the implementation of its remuneration policies and practices complies with the remuneration policy and practices adopted by the Management Body.
- Whilst the Firm is not required under MIFIDPRU 7.1.4R to establish a remuneration committee, it has elected to do so. The Firm’s remuneration committee is currently made up of the Firm’s Managing Members.
- The Firm engaged with Simmons & Simmons in the development of its remuneration policies and practices.

Material Risk Takers (“MRTs”)

6.4 The Firm follows SYSC 19G.5 and identifies the following groups of staff as MRTs based on qualitative criteria (related to the role and decision making authority of staff) and quantitative criteria (related to the level of total gross remuneration):

- members of the Firm’s Management Body; and
- other senior management with managerial responsibility for control functions or for business units that are carrying on at last one regulated activity.

Key Characteristics of the Firm’s Remuneration Policies and Practices

6.5 The different components of remuneration awarded by the Firm include:

- **fixed:** base salary (for employees) and advance monthly drawings (for members), pension contributions (for employees, up to minimum amount required at law) and benefits for employees and members – e.g. private medical and dental insurance cover); and
- **variable:** annual discretionary bonus (for employees) and discretionary profit allocations (for members), discretionary pension contributions (for employees, above the minimum amount required at law), and guaranteed variable remuneration, retention awards, severance pay and buy-outs.

6.6 The performance criteria used across the Firm which impact variable remuneration awarded to staff include both financial performance criteria (for example, at an individual level, the performance of the investment portfolio they manage or assist in managing) and non-financial performance criteria (for example, at an individual level, their contribution to achieving positive client outcomes, performance in line with business strategy, adherence to the Firm’s risk management framework and compliance with applicable rules, policies and procedures).

Framework and criteria used by the Firm for risk adjustments of remuneration

- 6.7 The Firm faces various current and future risks, which include both financial risks and non-financial risks. Financial risks include risks relating to the Firm's revenue, profit, capital, the cost and quantity of liquidity risk and the cost and quantity of own funds / regulatory capital. Non-financial risks include risks relating to the reputation of the Firm, the conduct of the Firm's staff, the Firm's relationship with its clients and risks around the achievement of the Firm's wider strategy.
- 6.8 The Firm will apply ex-ante and ex-post adjustments to variable remuneration at a business unit or individual level (as appropriate) to ensure that remuneration awarded is fully aligned with the risks faced / taken by the Firm. Such risk adjustments are operated by reducing the amount of variable remuneration to be paid or by clawing back from MRTs all or part of the variable remuneration previously paid, as applicable.
- 6.9 The criteria that the Firm will take into consideration when applying ex-post adjustments to variable remuneration include:
- whether the individual participated in or was responsible for conduct which resulted in significant losses to the Firm in cases of fraud or other conduct with intent or severe negligence by the individual which lead to significant losses to the Firm; and/or
 - whether the staff member failed to meet the appropriate standards of fitness and propriety required for their role.

Guaranteed Variable Remuneration

- 6.10 In exceptional and justified circumstances, the Firm may award guaranteed variable compensation, in the Managing Members' discretion. Any such guarantee is limited for the first year of employment only and is awarded to attract a new employee to the firm where they have no established performance or reputation. The advice of external counsel may be sought to confirm that such guarantee is appropriate, taking all relevant circumstances into account.
- 6.11 The Firm does not award multi-year guarantees to any employees. Guaranteed compensation arrangements to existing employees are prohibited.

Severance Payments

- 6.12 In certain circumstances, severance payments may be made, to be determined on a case-by-case basis and in the Managing Members' discretion. The advice of external counsel may be sought to confirm that such severance payment is appropriate.

Quantitative disclosures

- 6.13 The total number of MRTs identified by the Firm under SYSC 19G.5 was 14.
- 6.14 The following tables show aggregated quantitative remuneration information for the Firm's "Senior Management", "Other Material Risk Takers" and "Other Staff" according to the following definitions:
- **Senior Management:** those persons at the Firm who exercise executive functions and who are responsible and accountable to the Management Body for the day-to-day management of the Firm;
 - **Other MRTs:** other employees whose activities have a material impact on the risk profile of the Firm and have been classified as MRTs; and

- **Other Staff:** other employees whose activities are not deemed to have a material impact on the risk profile of the Firm and have not been classified as MRTs.

The information is given for the performance year ending 31 December 2022, except where the footnotes indicate that the information is given in respect of the financial year ending 31 March 2023.

Disclosures required under MIFIDPRU 8.6.8R (4)	
<u>Senior Management</u>	
2022 total remuneration awarded to Senior Management	£23,957,471
2022 fixed remuneration awarded to Senior Management	£1,914,911
2022 variable remuneration awarded to Senior Management	£22,042,560
<u>Other MRTs</u>	
2022 total remuneration awarded to Other MRTs	£2,333,613
2022 fixed remuneration awarded to Other MRTs	£662,551
2022 variable remuneration awarded to Other MRTs	£1,671,062
<u>Other Staff</u>	
2022 total remuneration awarded to Other Staff	£5,874,556
2022 fixed remuneration awarded to Other Staff	£2,110,413
2022 variable remuneration awarded to Other Staff	£3,764,143
Disclosures required under MIFIDPRU 8.6.8R (5)(a)³	
<u>Senior Management</u>	
2022 number of Senior Management that received guaranteed variable remuneration awards	0
2022 total amount of guaranteed variable remuneration awards made to Senior Management	N/A
<u>Other MRTs</u>	
2022 number of Other MRTs that received guaranteed variable remuneration awards	0
2022 total amount of guaranteed variable remuneration awards made to Other MRTs	N/A

³ Information given relates to the financial year ended 31 March 2023.

Disclosures required under MIFIDPRU 8.6.8R (5)(b)⁴	
<u>Senior Management</u>	
2022 number of Senior Management that received severance payment awards	1
2022 total amount of severance payment awards made to Senior Management	£81,011
<u>Other MRTs</u>	
2022 number of Other MRTs that received severance payment awards	0
2022 total amount of severance payment awards made to Other MRTs	N/A
Disclosures required under MIFIDPRRU 8.6.8R(5)(c)⁵	
2022 highest severance payment awarded to an individual classified as Senior Management	£81,011
2022 highest severance payment awarded to an individual classified as an Other MRT	N/A

⁴ Severance payment/(s) made during the financial year ended 31 March 2023.

⁵ Severance payment/(s) made during the financial year ended 31 March 2023.