

INVESTMENT FIRMS PRUDENTIAL REGIME DISCLOSURE STATEMENT

I. Introduction to Warburg Pincus International LLC

Warburg Pincus International LLC (the “Firm”) is a Limited Liability Company incorporated in the United States and registered as an overseas company in the United Kingdom¹. The Firm is authorised and regulated by the Financial Conduct Authority (“FCA”)². The Firm is a MIFIDPRU Investment Firm and is subject to the Investment Firms Prudential Regime (“IFPR”).

The Firm’s primary function is to provide investment advisory services in respect of certain private equity funds advised and / or managed by its parent undertaking, Warburg Pincus LLC. Warburg Pincus LLC is registered as an investment adviser with U.S. Securities and Exchange Commission.

This document sets out certain disclosures relating to the Firm pursuant to Chapter 8.6 of the UK Financial Conduct Authority’s Prudential Sourcebook for MiFID Investment Firms (“MIFIDPRU”). For the purposes of the IFPR and these MIFIDPRU disclosures, the Firm is categorised as a Small and Non-Interconnected investment firm.

II. Basis of MIFIDPRU Disclosures

These disclosures provide both qualitative and quantitative information on the Firm’s remuneration policy and processes to a level of detail which is appropriate to the Firm’s size and internal organisation, and to the nature, scope, and complexity of its activities.

These disclosures have been prepared as of 31 December 2023, being the accounting reference date of the Firm’s last published annual financial statements.

III. Remuneration Disclosure Requirements

Part A: Qualitative Disclosures

Objectives of the Firm’s Financial Incentives

The Firm’s approach to remuneration aims to create a direct link between reward and performance and to incentivise staff in alignment with the Firm’s risk profile, including potential conflicts of interest. The Firm’s remuneration structure is evaluated regularly to ensure its continued competitiveness and alignment with best practices and regulatory requirements. The objective of the remuneration structure is to align individual and team contributions with performance objectives in a manner that:

- is consistent with, and promotes, sound and effective risk management;
- does not encourage excessive risk taking;
- includes measures to avoid conflicts of interest in accordance with the Firm’s conflicts of interest policies; and
- is in line with the Firm’s business strategy, regulatory obligations, objectives, values, and long-term interests.

¹ Company number: FC014240

² Firm reference number: 121905

Remuneration Governance and Oversight

The Firm has set up governance processes to ensure the oversight of rewards, management of any potential conflicts of interests, and the review of the alignment between reward and performance.

The Firm's remuneration policy and practices have been agreed by its Board of Directors in consultation with Warburg Pincus LLC, the Firm's parent undertaking and sole client. Decisions on remuneration for the Firm's staff are made by the Firm's senior managers discharging the executive director (SMF 3) function, with input from Warburg Pincus LLC.

Given the size, scale and nature of activities conducted by the Firm, the Firm does not have a remuneration committee.

The Firm's remuneration policy and practices are reviewed annually by its Board of Directors.

Characteristics of Fixed and Variable Remuneration

There are broadly two different components of remuneration paid to the Firm's staff:

- base salaries and benefits (such as healthcare insurance) which are categorised as fixed remuneration; and*
- discretionary bonuses and carried interest (where awarded to eligible staff in accordance with Warburg Pincus LLC's policies and procedures), which are categorised as variable remuneration.*

The assessment of performance to determine remuneration for an individual member of staff takes into account financial as well as non-financial criteria, generally including the following elements:

- an assessment of the profitability of the Firm, Warburg Pincus more generally, and the investment funds managed by the Firm's sole client, Warburg Pincus LLC; and*
- the individual staff member's performance and their contribution to the Firm's business, their contribution to the Firm's investment sourcing and advisory function, as well as non-financial metrics such as their conduct, their compliance with the Firm's policies and applicable regulatory requirements, and their impact to the risk profile of the Firm and the funds managed by Warburg Pincus LLC.*

Fixed Remuneration

Fixed remuneration is determined based on the role being performed and is set in line with market competitiveness at a level to attract and retain skilled staff.

Variable Remuneration

Variable remuneration is based on an assessment of the profitability of the Firm (and of Warburg Pincus more generally), as well as the individual staff member's performance and their contribution to the Firm's business and to the overall business of Warburg Pincus LLC and the investment funds it manages.

Part B: Qualitative Disclosures

The Firm paid a total amount of remuneration of £23,622,584 to its staff in 2023, comprising £16,206,561 and £7,416,023 in fixed and variable remuneration respectively.