MIFIDPRU 8 Disclosures
Viking Global Investors Europe LLP
For the calendar year ended December 31, 2023

Summary of significant changes: There are no significant changes since Viking Global Investors Europe LLP's MIFIDPRU 8 disclosures dated December 31, 2022.

1. **Risk Management Objectives and Policies**

1.1 Viking Global Investors Europe LLP ("the Firm") maintains the following risk management objectives and policies to reduce potential harms associated with the Firm's business strategy.

1.2 In general, the Firm's business is considered to present a very low risk of harm to the firm, its clients, and the market, given that it does not deal on own account (or as principal) in financial instruments, and it does not hold any client money or client assets. The main risks to the Firm's business arise from operational risk and group risk given that the Firm is dependent on the wider Viking group for its continued viability.

- The Firm maintains own funds in excess of the own funds requirement (MIFIDPRU 4 - Own Funds Requirements) and the own funds threshold requirement identified as part of the Internal Capital Adequacy and Risk Assessment ("ICARA") process undertaken by the Firm. In particular:
    - In addition to other risks, the Firm identifies potential harm to vendors if the own funds of the Firm were not properly maintained and wind down procedures began.
    - The Firm manages these risks by monitoring the own funds requirement monthly. Additionally, the Firm engages an outsourced accountant who assists in the monitoring of requirements.
- The Firm maintains controls over concentration risk (MIFIDPRU 5 - Concentration Risk), which has been determined to relate to earnings. The Firm does not have concentration risk related to the location of client money or the location of custody assets as neither are held.
    - Management identifies potential harm to the Firm and its vendors due to the concentration of earnings. Most of the Firm's revenue is earned from the US Parent Manager, Viking Global Investors LP ("VGI") in the form of a sub-advisory fee.
    - VGI has a robust risk assessment process that ensures its ability to continue operations. The Firm relies on VGI's risk assessment to manage its concentration risk.
- The Firm maintains core liquid assets in excess of its Basic Liquid Assets Requirement, and core liquid assets in excess of its liquid assets threshold requirement.
    - Management identifies potential harms associated with the Firm's reputation as well as potential harms to vendors if liquid assets were not properly maintained and wind down procedures began.
    - To manage the risks associated with the business model the Firm holds cash deposits in excess of its liquid assets threshold requirement. Changes to core liquid assets held are monitored monthly to determine if adjustments are necessary to cash balances. Additionally, the Firm has a contingency funding plan with VGI where cash infusions to the Firm can be made if determined to be necessary.

2. **<u>Governance arrangements</u>**

2.1 **Oversight of Governance Arrangements by the Management Body.**

2.2 The Firm is a limited liability partnership registered in accordance with the Limited Liability Partnerships Act 2000. The members of the Firm are Viking Global Investors Europe Management Ltd (the corporate member) and Hani Sabbagh. In accordance with the LLP deed, the members have appointed a committee (the "Committee") to oversee the systems and control requirements of the Firm and to undertake a broad range of governance, business management and oversight responsibilities, subject to such regulations, terms and restrictions as the members may impose. The Committee fulfils the function of the Management Body.

2.3 In order to comply with the requirement in SYSC 4. 3A.1 R, the members of the Firm ensure that members of the Management Body are selected based primarily on the following criteria:

- the possession of the necessary knowledge, skills and experience to perform the relevant duties;

- whether their addition will complement the Management Body's collective knowledge, skills and experience in relation to the Firm's activities, including the main risks it faces;

- diversity of viewpoints, backgrounds, experiences, and other demographics

2.4 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 risk management, operations and compliance functions that are independent of the front office) in a manner that promotes the integrity of the market and the interests of clients. Under the Firm's governance arrangements, the Management Body also ensures that conflicts of interest between the interests of the Firm and the interests of a client (or between the interests of multiple clients) are avoided or managed appropriately, again, in a manner that promotes the integrity of the market and the interests of clients. This is predominantly achieved through: (1) 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 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 reduced to an appropriate level; and (2) the establishment of a specific procedure for managing any *ad hoc* conflicts that arise which are not covered by the Firm's conflicts of interest policy.

2.5 **Directorships**

- Members of the management body do not hold any outside directorships.

2.6 **Risk Committee**

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

2.7 **Diversity Policy**

2.8 In accordance with SYSC 4.3A.10 R, the Firm maintains a policy for promoting diversity on the Management Body. The Firm is part of the Viking group and is subject to the Viking group's global policy on diversity. The Viking group is committed to diversity and the fostering of a culture of inclusion in which all individuals are accepted and treated fairly and with respect and dignity. Viking is also committed to equal employment opportunity and therefore administers all personnel actions, including, but not limited to, recruitment, hiring, training, compensation, benefits, promotion and termination, without regard to age, disability, gender reassignment, marriage or civil partnership, pregnancy or maternity, race (which includes colour, nationality and ethnic or national origins), religion or belief, sex or sexual orientation (the protected characteristics) (except in circumstances where certain protected characteristics may be positively and lawfully considered).

2.9 The Management Body's committee comprises only three individuals and accordingly the Firm considers that a diversity target would be unworkable in practice. Nevertheless, the Firm considers that a consideration of the past and current members of the Management Body demonstrates that the objectives of the Firm's diversity policy are being met.

3. Own Funds

Composition of regulatory own funds			
	Item	**Amount (GBP thousands)**	**Source based on reference numbers/letters of the balance sheet in the audited financial statements**
1	**OWN FUNDS**		
2	**TIER 1 CAPITAL**		
3	**COMMON EQUITY TIER 1 CAPITAL**		
4	Fully paid up capital instruments	948	Members' capital classified as equity
5	Share premium		
6	Retained earnings	395	Other reserves classified as equity
7	Accumulated other comprehensive income		
8	Other reserves		
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**		
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**		
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		

Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements				
		a	b	c
		Balance sheet as in published/audited financial statements	**Under regulatory scope of consolidation**	**Cross-reference to template OF1**
		As at period end	**As at period end**	
Assets - *Breakdown by asset classes according to the balance sheet in the audited financial statements*				
1	Tangible assets	33	33	
2	Debtors	9,869	9,869	
3	Cash at bank and in hand	581	581	
4				
5				
xxx	**Total Assets**	10,483	10,483	
Liabilities - *Breakdown by liability classes according to the balance sheet in the audited financial statements*				
1	Creditors	9,140	9,140	
2				
3				
4				
xxx	**Total Liabilities**	9,140	9,140	
Shareholders' Equity				
1	Other reserves classified as equity	395	395	
2	Members' capital classified as equity	948	948	
3				
xxx	**Total Shareholders' equity**	1,343	1,343	

Own funds: main features of own instruments issued by the firm
Free text. A non-exhaustive list of example features is included below.
- The Firm’s own funds are made up of 100% common equity tier 1 capital in the form of shareholders’ equity.

4. **Own Funds Requirements**

4.1 The requirements set out in MIDIFPRU 4.3 & 3.2.2R (Own funds requirements & Composition of own funds and initial capital) dictate that the firm's own funds must satisfy all the following:

- Common equity tier 1 capital must be equal or greater than 56% of the firm's own funds requirement.
- Common equity tier 1 capital and additional tier 1 capital must be equal to or greater than 75% of the firm's own funds requirement.
- Own funds must be equal to or greater than 100% of the firm's own funds requirement.

4.2 8.5.1R(1) K Factor Requirement & 8.5.1R(2) Fixed Overheads Requirement

Surplus of Tier 1 Capital		
Viking Global Investors Europe LLP		
		Total
(all amounts in £)	Own Funds Requirements (in thousands)	Capital Requirement (in thousands)
K-AUM Capital Requirement	£ 481	481
K-COH - Cash Trades	32	32
K-COH - Derivatives Trades	4	4
K-COH Capital Requirement	35	35
Total K-Factor Requirement	516	516
Fixed Overhead Requirement (FOR)	1,025	1,025
Permanent minimum requirement (PMC)	75	
Own Funds Requirement = higher of i) K-Factor, ii) FOR, iii) PMC	**1,025**	**1,025**
Own Funds Requirement	**£ 1,025**	**£ 1,025**
Current total capital (audited)		1,343
Surplus		318

4.3 8.5.2R The Firm assesses its adherence to the overall financial adequacy rule on a continuous basis, as stated within the ICARA. The above chart details the Firm's surplus of tier one capital in excess of the own funds requirement. Additionally see below calculations for adherence to

1.) CET 1 capital as a percentage of own funds requirement	131%
2.) CET 1 & additional tier 1 capital as a percentage of own funds requirement	131%
3.) Own funds as a percentage of own funds requirement	131%

5. **Remuneration policy and practices**

5.1 **Qualitative disclosures**

5.2 The Firm’s approach to remuneration for staff 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 Firm and Viking group globally. When assessing individual performance, financial as well as non-financial criteria are taken into account.

- **Main performance objectives:** The main performance objective is to reward individuals in relation to their performance and the performance of the Firm and Viking group globally. The Firm aligns compensation with the interests of its clients by increasing variable remuneration when performance is strong, and reducing variable remuneration when performance is less strong.

- **Categories of staff eligible to receive variable remuneration:** All staff are eligible to receive variable remuneration.

5.3 As indicated above, the Firm’s objective in using financial incentives with 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.

5.4 The below is a summary of the decision-making procedures and governance surrounding the development of the Firm’s remuneration policies and practices (which the Firm is required to adopt under SYSC 19G (the “MIFIDPRU Remuneration Code”).

- The Management Body has adopted remuneration policies and practices in line with the rules and guidance laid down by the FCA and the MIFIDPRU Remuneration Code and is responsible for the implementation of such policies and practices.

- The Management Body annually or upon material change reviews the Firm’s policies in accordance with the guidance and rules in SYSC 19G.3.

- Due to the application of MIFIDPRU 7.1.4 R, the Firm is not required, and so has not established, a remuneration committee.

- For UK staff, the implementation of the remuneration code as regards variable remuneration is undertaken by individual managers, who are primarily responsible for assessing staff performance, and the Group Management

Committee, who determine the size of the bonus pool and are responsible for final decisions about remuneration.

<u>Material Risk Takers (“**MRTs**”)</u>

5.5 The Firm follows SYSC 19G.5 and identifies the members of the Management Body as MRTs based on their membership of the Firm’s Management Body and their managerial responsibilities for the activities of a control function.

<u>Key Characteristics of the Firm’s Remuneration Policies and Practices.</u>

<table>
<tr><th colspan="3">Different components of remuneration (fixed and variable) awarded by the Firm</th></tr>
<tr><td rowspan="3">Component of remuneration</td><td>Salary</td><td>Fixed</td></tr>
<tr><td>Annual discretionary bonus</td><td>Variable</td></tr>
<tr><td>Residual profit share</td><td>Variable</td></tr>
</table>

<table>
<tr><th colspan="3">Summary of the financial and non-financial performance criteria used across the Firm which impact variable remuneration awarded to staff</th></tr>
<tr><td rowspan="4">Performance Criteria</td><td rowspan="2">Performance criteria used in relation to the Firm</td><td><u>Financial performance criteria:</u>
- Available funds to cover variable remuneration (that is, the size of the bonus pool), taking into account the need to maintain a sound capital base.</td></tr>
<tr><td><u>Non-financial performance criteria:</u>
- N/A</td></tr>
<tr><td rowspan="2">Performance criteria used in relation to the Individuals</td><td><u>Financial performance criteria:</u>
- Financial performance at individual portfolio level.
- Specific investment performance within funds and investment staff returns, with key measures adjusted in relation to the MSCI World Index.</td></tr>
<tr><td><u>Non-financial performance criteria:</u></td></tr>
</table>

		- Risk management - Mentoring - Regulatory compliance - Peer reviews - Recruiting - Interactions with the internal trading desk - External relationship management

Framework and criteria used by the Firm for ex-ante and ex-post risk adjustments of remuneration.		
The Firm faces various current and future risks, which include both financial risks and non-financial risks. In this context, key risks include: • fraud • gross negligence or wilful conduct causing detriment to the Firm or its clients • conflicts of interest • sufficiently serious breaches of Firm's policies • breach of requirements relating to fitness and propriety The Firm will apply ex ante and ex post adjustments to variable remuneration to ensure that remuneration awarded is fully aligned with the risks faced / taken by the Firm.		
Ex ante risk adjustment	Manner of application	The Firm applies ex ante risk adjustments to variable remuneration at an individual level.
	Criteria considered when applying ex ante adjustments	All variable remuneration is paid as an annual cash bonus. However, ex ante adjustments would be applied if any of the matters mentioned above materialised before the bonus is paid to the MRT concerned.
Ex post risk adjustment	Manner of application	The Firm applies ex post risk adjustments to variable remuneration at an individual level. The Firm applies clawback (recovery) provisions to MRT variable remuneration. In accordance with the clawback provisions in the MIFIDPRU Remuneration Code

		and Financial Conduct Authority guidance, clawback would be triggered where the MRT participated in or was responsible for conduct described above in relation to risks to the Firm. The Firm applies a three-year clawback period from the payment of an MRT's variable remuneration. The clawback provisions are included within the Firm's UK Policy Manual. The Management Body would be responsible for the enforcement of this policy.
	Criteria considered when applying ex ante adjustments	The criteria that the Firm will take into consideration when applying ex post adjustments to variable remuneration include: • whether there is evidence or serious error by the staff member (eg breach of code of conduct and other internal rules, especially concerning risks) • whether the Firm has suffered from a significant downturn in its financial performance as a result of the error or conduct; • harm or potential harm caused to the Firm's clients or counterparties as a result of the conduct; • whether the Firm has suffered from a significant failure of risk management; and • where there are significant changes to the Firm's economic or regulatory capital base.

Guaranteed Variable Remuneration

5.6 The Firm may, in its complete discretion, offer non-standard forms of remuneration. All non-standard forms of variable remuneration are subject to the same malus and clawback provisions applicable to standard forms of variable remuneration. Sign-on bonuses and buy-out awards from a previous employer are rare and would be limited to the first year of service (i.e., as part of the hiring process). Retention awards could also be paid but have not been in the past. Guaranteed compensation arrangements to existing employees are prohibited.

Severance Payments

5.7 Severance could be paid depending on a staff member's performance during their employment, the amount of time at the firm, and whether they are leaving on good terms. There is no defined maximum amount specific to severance.

Quantitative disclosures

5.8 The total number of MRTs identified by the Firm under SYSC 19G.5 was: 3

5.9 Remuneration paid or awarded for the financial year ended 31 December 2023 comprised fixed remuneration (salaries and allowances) and variable remuneration. Subject to what is said below on exemptions from disclosure, the following tables show aggregate 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.

5.10 Only two of the three MRTs have received remuneration from the Firm. In relation to the quantitative disclosures, the Firm has relied on the exemption in MIFIDPRU 8.6.8R (7) such that it has not provided information in relation to the disclosures otherwise required by MIFIDPRU 8.6.8R (4), MIFIDPRU 8.6.8R(5)(a), MIFIDPRU 8.6.8R(5)(b) and MIFIDPRU 8.6.8R(6) in relation to the variable remuneration of senior management and other MRTs. The Firm has relied on the exemption in MIFIDPRU 8.6.8R (7) in order to prevent the individual identification of any individual MRTs at the Firm or the disclosure of information that could be associated with an individual MRT at the Firm.

5.11 Note also that the MRTs identified by the Firm are all members of senior management, so there are no "Other MRTs". In the interests of simplicity, no disclosure has therefore been made for Other MRTs.

6. **Investment Policy**

6.1 The firm does not have any holdings in other companies within the meaning of MIFIDPRU 8.7.6R.