

INVESTMENT FIRMS PRUDENTIAL REGIME (IFPR) DISCLOSURE STATEMENT

This document sets out certain disclosures relating to Warburg Pincus International LLC (the “Firm”) pursuant to Chapter 8.6 of the UK Financial Conduct Authority’s Prudential Sourcebook for MiFID Investment Firms. Unless otherwise stated, all information is provided as at 31 December 2022. The Firm is categorised as a small and non-interconnected investment firm for the purposes of the UK Investment Firms Prudential Regime.

The Firm’s approach to remuneration aims 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. The objective of the 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.*

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 and its investment funds.

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.

There are broadly two different components of remuneration paid to the Firm’s staff, i.e. salaries and benefits (such as healthcare insurance), which are categorised as fixed remuneration, and discretionary bonuses, that are categorised as variable remuneration. In addition, carried interest is awarded to eligible Firm staff in accordance with Warburg Pincus LLC’s policies and procedures, and is also categorised as variable remuneration.

Remuneration is based on 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. Remuneration is also based on an assessment of an individual staff member’s performance and their contribution to the Firm’s business. The Firm uses a range of criteria to assess performance of individual staff members, and these include 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 of the risk profile of the Firm and the funds managed by Warburg Pincus LLC.

The Firm paid a total amount of remuneration of £21,471,544 to its staff in 2022, comprising £14,026,293 and £7,445,251 in fixed and variable remuneration respectively.