

MIFIDPRU 8 Disclosures

**Evercore Partners International LLP
dated 30 June 2024 (pages 1-16)**

**Evercore ISI International LLP dated 30
June 2024 (pages 17 – 21)**

1. Introduction

Evercore Partners International LLP (“EPI” or the “Firm”) with registered office at 15 Stanhope Gate, London, W1K 1LN, United Kingdom, is authorised and regulated in the U.K. by the Financial Conduct Authority (“FCA”) with Firm Reference Number: 532714. It is ultimately owned by the NYSE listed Evercore Inc.

The Firm’s primary activity is the provision of corporate advisory services and is authorised by the FCA to undertake the following regulated activities to Professional Clients and Eligible Counterparties:

- 1) Advising on investments (except on Pension Transfers and Pension Opt Outs)
- 2) Arranging (bringing about) deals in investments
- 3) Making arrangements with a view to transactions in investments
- 4) Agreeing to carry on a regulated activity

EPI is subject to the disclosure requirements of MIFIDPRU 8. Based on certain qualitative and quantitative metrics relating to size, internal organisation and the nature, scope and complexity of business activities, it is considered to be a **non-SNI investment firm**.

2. Risk Management Objectives And Policies

In view of the nature, scale and complexity of the Firm's business, namely that:

- the Firm is part of a global group that is regulated in various countries in North America, Europe, the Middle East and Asia whose ultimate parent company is listed on the NYSE, meaning both the Firm and its ultimate parent are subject to extensive ongoing regulatory supervision and oversight;
- the Firm offers targeted investment banking advisory and research services to professional clients and eligible counterparties (and not retail clients) and does not engage in regulated activities (such as deal in investments (whether as agent or principal)) that carry a higher risk profile; and
- the Firm does not hold or control client money,

the Firm has, in accordance with Article 23 of the UK version of the MIFID Org Regulation (2017/565) and, in turn, MIFIDPRU 7.2.3, determined that the management body of the Firm (EPI's Executive Committee ("ExCo")) has overall responsibility for risk management. Due to the size of its business activities for the 2023 performance year, EPI was not required to have a risk committee under MIFIDPRU 7.3.1R and MIFIDPRU 7.1.4R. EPI LLP therefore did not have a risk committee during the 2023 performance year.

At least annually, ExCo identifies risks facing the business, and then assesses the impact of each risk, the probability that the risk will occur, determines whether the risk is likely to have a material impact on the business, and then finally assigns the risk an overall rating.

The Firm has a low level of risk tolerance. This means that any deviation outside the parameters used for stress testing would be interrogated, enabling an expeditious response to anomalous events and the ability to re-assess fiscal requirements if significant adverse trends are identified. A quantitative risk appetite is therefore not set, but individual items on the Risk Inventory are assessed and quantified with appropriate mitigating steps put in place to reduce the risk to a level that is then approved by the ExCo in the annual review.

For the risks identified as material, the ExCo further assesses which of the broad stakeholder groups - Client, Market, or Firm - may incur hardship if the risk occurs. The ExCo then quantifies the economic impact of the material risk occurring, after accounting for mitigating factors.

The ExCo is responsible for agreeing and approving all risk documents annually and discussing and evaluating any and all risk strategies. On an annual basis or ad hoc where required, the ExCo will consider the most appropriate method for implementing such strategies including obtaining the input of the relevant senior team members for the impacted business lines and departments.

Risk reporting from each of the relevant support functions of any loss events that have occurred in the period, which would fall under one of the risk categories noted on the risk inventory, are discussed by the ExCo. Suitable amendments to risk strategy or mitigating actions to be taken will be made; recurring breaches in any specific area would result in a re-assessment of the controls and suitable updates to the risk inventory by the appropriate team, which would then be discussed and approved by the ExCo.

The Compliance department receives quarterly regulatory updates from an external law firm that details regulatory communications including fines and punitive measures taken by the FCA. Where relevant, considerations are made as to whether any improvements or updates should be made to Evercore's processes or policies.

Additionally, the ExCo reviews business performance and key performance indicators (KPIs) to ensure that the business is performing to an acceptable standard, to assess the health of the business, and to be reasonably assured that the business will continue as a going concern for the near to medium term. The ExCo has identified acceptable tolerances and wind-down thresholds for these KPIs as detailed in the Wind-down Plan. The current set of KPIs and the threshold triggers will be reviewed, monitored and refined post-submission as part of the on-going future enhancement of the capital and liquidity planning process.

The ExCo is supported by the Operating Committee (“OpCo”) that is comprised of representatives from the business as well as support functions. Members of OpCo report into the ExCo by way of:

- Quarterly compliance reports;
- Monthly financial updates (revenue, pipeline, income statement, balance sheet, reg cap/liquidity, headcount, performance against KPIs);
- Ad hoc reports from internal audit;
- Management information from Human Capital Group, Real Estate and Information Technology (which will include risk management related issues as necessary); and
- Ad hoc risk reporting undertaken on an events driven real-time basis from all functions.

EPI operates a ‘Three Lines of Defence Model’, whereby:

- **First line: functions that own and manage risk.** Management control is the first line of defence in risk management. In addition to the Firm’s business lines / groups, the following corporate functions are also considered to be first line: Information Technology, Finance, Human Capital Group and Real Estate
- **Second line: functions that oversee risk by monitoring the first line.** The second line is primarily the Legal & Compliance team. Certain of the first line functions (namely Finance, Human Capital Group, Real Estate and Information Technology), alongside Legal & Compliance, provide regular and ad hoc management information on their respective areas to the OpCo
- **Third line: Internal Audit.** Independent assurance (internal audit) is the third line of defence and produces an annual audit plan for ExCo

There are three main documents used by the Firm that comprise the risk management framework. These are:

- The Risk Inventory
- The Internal Capital and Risk Assessment
- The Annual Risk Report

These documents are reviewed, updated (as necessary) and approved by the ExCo annually, or on an ad-hoc basis should any risk events occur in the course of the year.

There are three main types of risk that are applicable to EPI, these are:

Conduct Risk

Conduct risk is the risk that detriment is caused to the Firm, our clients and the markets in which Evercore operates because of acts, omissions, incidents or behaviours, individual or corporate, whether intentional or inadvertent that create a risk of harm (financial or non-financial) to clients, markets, employees, competition or to the reputation of Evercore. Examples of conduct risks are information asymmetries (e.g. insider trading), conflicts of interests, inadequate due diligence, and people risk associated with firm events (e.g. key man risk, loss of institutional knowledge). Any improper conduct by EPI’s staff and/or a failure by the Firm to manage such conduct with appropriate systems and controls would materially impair the Firm’s ability to conduct its financial advisory business. To manage conduct risk, it is expected that EPI has robust governance which puts conduct risk top of the regulatory agenda; embeds it into the business and provides staff with regular training; and has a good compliance culture with routine testing of controls and efficient reporting. The Firm is robustly governed by its ExCo which has accepted responsibility for the firm’s conduct risk agenda.

Operational Risk

Operational risk means the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events/factors (such as cyber-attacks) and includes legal risk. It is the risk of a

change in value caused by the fact that actual losses differ from expected losses and can include other classes of risk, such as fraud, group or physical risk. Operational risks are usually not willingly incurred nor are they revenue driven. Moreover, they are not diversifiable and cannot be laid off, meaning that, as long as staff, systems and processes remain imperfect, operational risk cannot be fully eliminated.

Financial Risk

The financial risk that EPI faces can be split into credit risk, market risk, capital adequacy risk and liquidity risk. Credit risk principally arises from EPI's cash on deposit with financial institutions, and from client receivables. EPI manages credit risk with financial institutions by maintaining banking relationships with reputable, high-quality institutions. Credit risk arising from client receivables exists due to the back-ended nature of invoicing clients, and the long tail nature of certain transactions. EPI manages its credit risk by actively monitoring collections, and through regular contact with clients regarding any outstanding receivables. Additionally through our new mandate/client selection process, client profile is considered at inception.. Direct market risk is low as the firm does not take positions, so it is only exposed to foreign exchange risk (and in this regard, EPI's policy is not to run long-term currency balances). Indirectly, the firm's revenues can be impacted by prolonged periods of macro-economic or market volatility, which may impact the willingness or ability of clients to undertake transactions. Liquidity risk exists in the firm, primarily due to the fluctuating nature of revenues compared to the regular nature of both compensation and non-compensation costs. EPI manages this risk by maintaining adequate reserves, and through regular monitoring of its short term and long-term obligations. EPI maintains robust controls regarding all the above financial risks. These controls are primarily exercised by the Finance department, with any issues raised to the ExCo.

3. Additional Governance Arrangements

EPI's ExCo comprises of the CEO, COO, Head of HCG EMEA, CFO, and General Counsel EMEA (see 4 below for further information).

The following relates to governance arrangements in place during the 2023 performance year. The ExCo is responsible for overseeing, 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 clients and ensuring staff demonstrate right behaviours, including their responsibility to identify, escalate and mitigate risk. More specifically the ExCo is responsible for:

Strategy and Management

- Development and approval of the Firm's strategy, long-term objectives and business plan, taking into account the strategy of the Group as appropriate.
- Ensuring the Firm maintains a clearly articulated business model and strategy, and clearly articulated risk appetites, risk policies and risk profile that are consistent with its business model and strategy.
- Oversight of:
 - ▶ the Firm's systems and controls (including accounting and financial controls) to ensure the effectiveness of such systems and controls.
 - ▶ the Firm's activities and objectives, ensuring:
 - Competent and prudent management;
 - Sound planning;
 - Sound risk management;
 - An adequate system of internal controls;
 - Adequate record-keeping; and
 - Compliance with statutory and regulatory obligations.
 - ▶ The legal structure of the Firm, including its ownership and funding structure.
 - ▶ The Firm's remuneration policy and the requirements that apply to the firm under the MIFIDPRU Remuneration Code.
- Review of performance in light of the Firm's objectives, business plans and budgets, ensuring that any corrective action is taken.
- Review and approval of any proposals for material changes to the Firm's business model.
- Embed Group Values

Structure and Capital

- Approval of changes to the Firm's status as a FCA regulated entity, including any variation to the Firm's FCA permissions and the launch or cancellation of products and/or services.
- Review and approval of changes to the Firm's capital structure.
- Reviewing the regular assessments of whether the Firm has met the thresholds to become a "significant SYSC firm" as defined in the FCA Handbook.
- Providing ongoing oversight and reviewing the adequacy of the Firm's ICARA process, including:
 - ▶ Annual review and approval of the Firm's ICARA document.
 - ▶ Review and approval of key assumptions that underly the ICARA document.
 - ▶ Irrespective of the date of the last annual review, approving information on material changes to the Firm's business or operating model which may mean that the ICARA requires updating.
 - ▶ Review of stress test scenarios to ensure they remain appropriate and relevant to the Firm.
 - ▶ Assessing and monitoring the Firm's risk management related to the Firm's business model and compliance with the overall financial adequacy rule, including, but not limited to:

- the adequacy of liquid assets and own funds;
- identification of material harms that could result from the ongoing operation of the Firm's business and the winding-down of the Firm's business; and
- the adequacy of risk management policies, procedures and risk mitigation.

Communication

- Review and approval of any management response to any letters to the Firm and/or ExCo from the FCA, including, but not limited to, their risk assessment of the Firm and any reports and/or disclosures required by, and all other communication with, the FCA.

Committee Membership and Other Appointments

- Approval of changes to the ExCo's structure, size, and composition.
- Appointment of the Chair.
- Approval of all ExCo appointments and removals.
- Membership and Chairmanship of any Firm committees which supervise and/or direct commercial activities of the Firm and/or which take any responsibility for regulated functions.

Risk Management and Compliance

- Overall responsibility for risk management.
- Determination and approval of the Firm's risk appetite.
- Oversight of the Firm's risk management policies and procedures and monitoring the adequacy and effectiveness of them.
- Consideration of risk matters escalated to the ExCo.
- Review of regular reports on risk and determination, at least annually, of whether the risk oversight of the Firm is appropriate.
- Reviewing allocation of resources to ensure the Firm has adequate resources and these are appropriately allocated to manage all material risks.
- Oversight of the Firm's material compliance matters, including ensuring that there is a plan to address current and anticipated regulatory requirements and reviewing all material interactions with any regulator and a summary of any anticipated changes to a regulatory risk framework in which the Firm operates.
- Reviewing reports from the Firm's compliance and internal audit functions.

Remuneration

- At least annually, review a report on whether the implementation of the Firm's Remuneration Policy and practices comply with the MIFIDPRU Remuneration Code.
- Annually review the Remuneration Policy.

Corporate Governance Matters

- Undertaking a formal and rigorous annual review of the performance of the Firm, ExCo, Senior Management, and that of its committees responsible for regulated functions.
- Coordinating the Firm's members' approval of the annual report and financial statements.
- Review and approval of any significant changes in accounting policies or practices.
- Any delegation of authority, including, from time to time:
 - ▶ The division of responsibilities between the Firm's members and employees; and
 - ▶ Approval of the establishment of any other Firm committees, and the structure, size, composition and terms of reference of any such committees.

Corporate Social Responsibility (“CSR”) and Culture

- Oversight of the Firm’s CSR objectives, including, but not limited to, culture, conduct and diversity.
- Monitoring and reviewing the Firm’s progress towards implementing policies and practices in line with the Firm’s CSR objectives and identifying any issues with implementation.
- Oversight of the Firm’s Remuneration Policy to ensure it complies with the requirement to be gender neutral.
- Oversight of the Firm’s policy promoting diversity within the Firm as a whole.

Policies

- Review and approval of policies applicable to the Firm.

Record keeping

- The ExCo is responsible for producing appropriate documentation to reflect and record the reviews and approvals regarding the matters in this document.

4. Directorships

The members of the ExCo hold the below detailed number of external directorships (excluding intragroup directorships or those held in organisations which do not pursue predominantly commercial objectives):

ExCo Member	Position	Number of External Directorships
Matthew Lindsey-Clark	CEO	0
Joe Chambers	COO	1
Sarah Blomfield	General Counsel EMEA	1
Crystal Corbin	CFO	1
Georgie Collenette	Head of HCG EMEA	0

5. Diversity

Our vision is to empower our people to thrive by sustaining a culture of inclusion that embraces diversity and creates opportunity for all employees, which in turn, drives Firmwide success. We believe that diversity of thought and experiences makes us better, both personally and professionally.

We seek to attract and retain the most talented individuals of varied backgrounds who reflect the global marketplace we serve, as part of our commitment to creating and maintaining an inclusive work environment.

We established The Global Diversity Council in 2019 which in EMEA comprises our three employee Diversity Networks, with the goal of supporting and advancing the unique needs of our diverse communities:

- Women's Network
- TURM (Traditionally Underrepresented Minorities) Network
- EverProud (LGBTQ+ Network)

All of our Networks are active in cultivating formal opportunities for allyship, participating in the Firm's recruiting efforts, building programs around cultural awareness and creating professional development opportunities for their respective constituencies. All employees are encouraged to join Diversity Networks as members or allies. Our Networks host a multitude of events throughout the year, often featuring notable leaders in their respective communities.

6. Own Funds

Composition of regulatory own funds

The own funds of a firm are the sum of its common equity tier 1 capital ('CET1'), additional tier 1 capital ('AT1') and tier 2 capital ('T2'). The Firm's own funds consist of fully paid-up capital instruments, and accumulated retained earnings.

Table: OF1 - Composition of Regulatory Own Funds

Composition of regulatory own funds			
No.	Item	Amount £'000s	Source based on reference numbers / letters of the balance sheet in the audited financial statements
1	OWN FUNDS	181,107	P15 Members' Interests
2	TIER 1 CAPITAL	164,357	P15 Members' Interests
3	COMMON EQUITY TIER 1 CAPITAL		
4	Fully paid up capital instruments	1,550	P15 Members' Interests
5	Share premium	n/a	
6	Retained earnings	162,807	P15 Members' Interests
7	Accumulated other comprehensive income	0	
8	Other reserves	0	
9	Adjustments to CET1 due to prudential filters	0	
10	Other funds	0	
11	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	0	
19	CET1: Other capital elements, deductions and Adjustments	0	
20	ADDITIONAL TIER 1 CAPITAL		
21	Fully paid up, directly issued capital instruments	0	
22	Share premium	n/a	
23	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	0	
24	Additional Tier 1: Other capital elements, deductions and adjustments	0	
25	TIER 2 CAPITAL		
26	Fully paid up, directly issued capital instruments	16,800	
27	Share premium	n/a	
28	(-) TOTAL DEDUCTIONS FROM TIER 2	0	
29	Tier 2: Other capital elements, deductions and Adjustments	0	

Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements

The table below shows the reconciliation of own funds to the balance sheet of the firm as at 31 December 2023. The balance sheet below is as per the audited financial statements.

Table: OF2 - Reconciliation of regulatory own funds to the audited financial statements

Ref	£'000s	a Balance sheet as in published / audited financial statements	b Under regulatory scope of consolidation	c Cross- reference to template OF1
As at period end		31 December 2023	31 December 2023	
Assets - Breakdown by asset classes according to the balance sheet in the audited financial statements				
1	Tangible asset	3,634	n/a	n/a
2	Non-current Investments	29,076	n/a	n/a
3	Debtors falling due after more than one year	11,289	n/a	n/a
4	Current Investments	0	n/a	n/a
5	Debtors less than on year	141,548	n/a	n/a
6	Cash	174,814	n/a	n/a
Total Assets		360,361	n/a	n/a
Liabilities - Breakdown by liability classes according to the balance sheet in the audited financial statements				
1	Creditors: amounts falling due within one year	77,607	n/a	n/a
2	Creditors: amounts falling due after more than one year	26,826	n/a	n/a
Total Liabilities		104,433	n/a	n/a
Members' Interests				
1	Members' Interests classified as a liability (Tier 1 Capital)	142,468	n/a	Tier 1 Own funds (6)
	Members' Interests classified as a liability (Capital contribution by parent company)	1,550	n/a	Tier 1 Own funds (4)
	Members' Interests classified as a liability (non-Tier 1 Capital)	74,332	n/a	n/a
2	Members' other interests classified as equity	37,578	n/a	Tier 1 Own funds (6)
Total Members' Interests		255,928	n/a	n/a

Own funds: main features of own instruments issued by the firm

CET1 instruments are comprised of Limited Liability Partnership Regulatory Capital contributions and audited retained earnings.

7. Own Funds Requirements

The following disclosures relating to EPI's own funds requirements are made under MIFIDPRU 8.5. EPI is required to disclose the K-factor requirement ("KFR") and the fixed overhead requirement ("FOR").

The Firm has been classified as a non-SNI (non-small and non-interconnected) investment firm through consideration of the requirements of the IFPR. The IFPR requires such firms to calculate two requirements for own funds: a basic requirement and a threshold requirement.

The basic requirement is the higher of the Permanent Minimum Requirement ("PMR"), the Fixed Overhead Requirement ("FOR") and the K-Factor Requirement ("KFR").

The threshold requirement is the basic requirement plus any additional requirement to mitigate the risk of harm from on-going operations and the wind-down requirement.

K-factor Definitions

MIFIDPRU sets out the various K-factors, and the calculation method for each. The own funds requirement disclosure requires disclosure relating to the following K-factors:

- K-AUM: Assets under management
- K-CMH: Client money held
- K-ASA: Assets safeguarded and administered
- K-COH: Client orders handled
- K-DTF: Daily trading flow
- K-NPR: Net position risk
- K-CMG: Clearing margin given
- K-TCD: Trading counterparty default
- K-CON: Concentration risk

KFR and FOR disclosure

The table below sets out EPI's K-factor and FOR requirement amounts:

Item		£'000s
K-factor	Sum of K-AUM, K-CMH and K-ASA	n/a
	Sum of K-COH and K-DTF	n/a
	Sum of K-NPR, K-CMG, K-TCD and K-CON	n/a
Fixed Overhead Requirement (Transitional Provision TP2.10 R 3a)		4,705

*The Firm considered that its activities and related regulatory permissions do not trigger the aforementioned K-Factor requirements and therefore no value has been attributed to these factors.

Own funds requirement

As a firm that was exempt CAD prior to IFPR, EPI benefits from transitional provisions in the calculation of the own funds basic requirement. For calendar year 2023, the required transitional provision is equal to the permanent minimum capital requirement, which is £55,000.

Approach to Assessing the Overall Financial Adequacy of Own Funds

EPI is required to disclose its approach to assessing the adequacy of its own funds in accordance with the overall financial adequacy rule (“OFAR”) as detailed in MIFIDPRU 7.4.7R. The Firm must always hold adequate financial resources, both in amount and quality, to ensure that it remains financially viable throughout the economic cycle with the ability to address and mitigate any potential harms to itself, customers or to other market participants. Furthermore, the Firm is required to be prepared for an orderly wind-down, minimising the harm to customers or to other market participants, without threatening the integrity of the UK financial system.

In addition, the Firm is required to perform an ICARA annually, which is an internal risk management process which focuses on identifying, assessing, and estimating potential ‘Risks of Harm’ to clients, to markets, and to the Firm itself; and includes Own Funds quantifications, stress testing and wind down planning.

The following are the key components of the ICARA process which have each been reviewed and discussed by the Firm’s Management body representing appropriate governance of the firm:

- **Assessing Risks of Harm from ongoing activities:** Identification of risks of harm by considering relevant scenarios that may occur in relation to the Firm’s activities and cause risk to the ongoing business of the Firm. A risk inventory is prepared with input from each of the support functions (e.g., Finance, Legal & Compliance, Information Technology). Risks identified are assessed and quantified with appropriate risk management actions on basis of size of potential identified risk;
- **Capital & Liquidity assessment:** An assessment of the Firm’s Own Funds and Liquid Asset requirements, based on forecasts and business plans, as well as the capital and liquidity required to mitigate risks of harm and meet wind-down requirements;
- **Stress testing:** A ‘severe but plausible’ assessment, based on forward-looking scenarios and assumptions, that covers all material risks and vulnerabilities identified and estimates the effects on the Firm’s profits and losses and its financial position whilst considering realistic management actions; and
- **Wind-down planning:** The Firm’s wind-down plan defines the circumstances leading to, and the impact of, a decision to wind-down the Firm. The plan considers potential scenarios which would cause the initiation of a wind down plan and the resources required to conduct an orderly wind-down. The plan includes a realistic timeline for termination of its regulated business.

8. Profit Sharing and Remuneration

As a non-SNI investment firm, the Firm is required to disclose certain information on its remuneration policy and practices as well as certain quantitative aggregated information about the remuneration awarded to its staff in respect the Firm's financial year ended 31 December 2023. The definition of "staff" includes partners and employees of the Firm itself and secondees into the Firm from other group entities. EPI has in place a profit sharing policy for partners and a remuneration policy for employees, in line with the requirements set by the FCA. The profit sharing and remuneration policies reflect the current organisational structure and are proportionate to the size and activities of the Firm. These policies are reviewed by ExCo periodically and any changes require its approval. ExCo is supported by Compliance and the Human Capital Group in the development and review of the policies, and the implementation of such policies are subject to central and independent internal review at least annually. Pursuant to MIFIDPRU 7.1.4(2) the requirement to establish a Risk, Remuneration and Nomination Committee does not apply to the Firm.

8.1 EPI remuneration policy

The policy reflects EPI's objectives for good corporate governance. In addition, it ensures that:

- EPI is able to attract, develop and retain high-performing and motivated employees in a competitive market;
- Employees are offered a competitive and market-aligned remuneration package making fixed salaries a significant remuneration component; and
- Employees feel encouraged to create sustainable results and that a link exists between the Firm's and employee's interests.

The policy focuses on ensuring sound and effective risk management through:

- A stringent governance structure for setting goals and communicating these goals to staff;
- Alignment with EPI's business strategy, values, key priorities and long-term goals;
- Alignment with the principle of protection of clients and investors and ensuring staff are encouraged to operate with integrity and in the best interests of clients; and
- Ensuring that the performance-based remuneration for employees does not undermine EPI's capital base.

8.2 Corporate governance

When deemed appropriate, however, and at least once a year, the ExCo will review the profit sharing and remuneration policies and, together with the senior management of EPI, monitor compliance with the policy.

Various control and compliance functions within EPI are involved in the process of reviewing compliance with the policies and with regard to the implementation of incentive structures to ensure that risk, capital and liquidity limits are not exceeded and that relevant persons for the purposes of the MIFID II remuneration rules are not remunerated nor is performance assessed in a way that conflicts with the duty to act in the best interests of clients.

The ExCo determines the funds to be allocated to the performance-based remuneration pools. The variable profit sharing for partners and bonus pools for employees are approved once a year by the management body of EPI.

8.3 Profit sharing

Components of a partner's profit share may include:

- fixed drawings;
- pension and benefits; and
- variable profit share.

8.4 Remuneration components

At the annual performance and appraisal interview, individual staff and managers evaluate and document performance in the past year and set new goals. Decisions on adjustment, if any, of the employee's fixed salary or on annual performance-based pay are made on the basis of this appraisal.

The various remuneration components are combined to ensure an appropriate and balanced remuneration package. The five remuneration components are:

- fixed remuneration (salary);
- performance-based remuneration (variable bonus);
- pension schemes, where applicable;
- other benefits in kind; and
- severance payment, where applicable.

The *fixed remuneration* is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and local market conditions.

The *performance-based remuneration* motivates and rewards high performers who significantly contribute to sustainable results, perform according to set expectations for the individual in question, strengthen long-term client relations, and generate income.

Performance based remuneration may take the form of cash bonus, shares and/or share based instruments.

Pension schemes guarantee staff a basic cover in the event of critical illness or death and pension payment on retirement. In general, staff are covered by defined contribution plans with a pension insurance company.

Other benefits are awarded on the basis of individual employment contracts although EPI offers core benefits of private health cover, life assurance and income protection/long term disability cover.

Severance payments are payable at EPI's discretion in accordance with relevant local legislation and individual circumstances and will reflect performance achieved over time and will not reward failure.

8.5 Performance-based remuneration

Performance-based remuneration is awarded in a manner which promotes sound risk management, mitigates conduct risk and does not cause excessive risk-taking outside of the Firm's risk appetite.

Performance-based pay is assessed based on both qualitative and quantitative criteria and encourages staff to act with integrity and in the best interests of clients and is awarded by ensuring:

- An appropriate balance between fixed and performance-based components; and
- That the fixed component represents a sufficiently high proportion of the total remuneration to make non-payment of the performance-based component possible.

Performance-based remuneration (pools or pay-out) must be based on an assessment of EPI's results and a number of performance indicators reflecting EPI's strategic key priorities. For example, these cover:

- Profit or loss of EPI;
- Assessment of risk-adjusted return; and
- Compliance with internal business procedures.

Performance-based pay also reflects EPI's financial results, the result of the business unit in which the employee is employed and the individual employee's performance. Further, both financial and non-financial factors shall be taken into consideration when determining the individual's bonus, i.e. compliance with internal guidelines and procedures, including clients and investor-related guidelines, as well as good conduct. A discretionary assessment is always made to ensure that other factors – including factors which are not directly measurable – are considered.

Performance-based pay is granted to employees with particular influence on EPI results. As an overall starting point, EPI ensures an appropriately balanced split between fixed salary and variable pay.

8.6 Material risk takers

Material risk takers are individuals that are considered to have significant influence over critical areas of the Firm's operation. EPI has designated the five individuals that comprise the ExCo and the Head of IT Infrastructure as such individuals.

8.7 Miscellaneous

To the extent legally acceptable under applicable law, ExCo has discretion to deviate from this policy in individual cases, if justified by extraordinary and exceptional circumstances.

Evercore ISI International LLP

30 June 2024

1. Introduction

Evercore ISI International LLP (“ISI” or the “Firm”) with registered office at 15 Stanhope Gate, London, W1K 1LN, United Kingdom, is authorised and regulated in the U.K. by the Financial Conduct Authority (“FCA”) with Firm Reference Number: 575376. It is ultimately owned by the NYSE listed Evercore Inc.

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- 5) Advising on investments (except on Pension Transfers and Pension Opt Outs)
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ISI is subject to the disclosure requirements of MIFIDPRU 8. Based on certain qualitative and quantitative metrics relating to size, internal organisation and the nature, scope and complexity of business activities, it is considered to be an SNI investment firm.

2. Remuneration

As an SNI investment firm, the Firm is required to disclose certain information on its remuneration policy and practices as well as certain quantitative aggregated information about the remuneration awarded to its staff in respect the Firm's financial year ended 31 December 2023. The definition of "staff" includes employees of the firm itself and secondees into the Firm from other group entities. ISI has in place a remuneration policy in line with the requirements set by the FCA. The policy reflects the current organisational structure and is proportionate to the size and activities of the Firm. The policy is reviewed by the board periodically and any changes require its approval. The board is supported by the Human Capital Group in the development and review of the policy and implementation of such policy is subject to central and independent internal review at least annually. Pursuant to MIFIDPRU 7.1.4(2) the requirement to establish a Risk, Remuneration and Nomination Committee does not apply to the Firm.

2.1 ISI Remuneration Policy

The policy reflects ISI's objectives for good corporate governance. In addition, it ensures that:

- ISI is able to attract, develop and retain high-performing and motivated staff in a competitive market;
- Employees are offered a competitive and market-aligned remuneration package making fixed salaries a significant remuneration component; and
- Employees feel encouraged to create sustainable results and that a link exists between the firms' and employee's interests.

The policy focuses on ensuring sound and effective risk management through:

- A stringent governance structure for setting goals and communicating these goals to staff;
- Alignment with ISI's business strategy, values, key priorities and long-term goals;
- Alignment with the principle of protection of clients and investors and ensuring staff are encouraged to operate with integrity and in the best interests of clients; and
- Ensuring that the total bonus pool does not undermine ISI's capital base.

2.2 Corporate governance

When deemed appropriate, however, and at least once a year, the board of ISI will review the remuneration policy and, together with the senior management of ISI, monitor compliance with the policy.

The input of the Firm's risk management, compliance, internal audit and human resources functions as well as relevant business units has, where appropriate, been sought in developing the Policy and the Firm's Remuneration Practices.

Senior management of ISI determines the funds to be allocated to the performance-based remuneration pools. The bonus pool is approved once a year by the management body of ISI.

2.3 Remuneration components

At the annual performance and appraisal interview, the individual staff and managers evaluate and document performance in the past year and set new goals. Decisions on adjustment, if any, of the employee's fixed salary or on annual performance-based pay are made on the basis of this appraisal.

The various remuneration components are combined to ensure an appropriate and balanced remuneration package. The five remuneration components are:

- fixed remuneration (salary);
- performance-based remuneration (variable bonus);
- pension schemes, where applicable;
- other benefits in kind; and
- severance payment, where applicable.

The *fixed remuneration* is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and local market conditions.

The *performance-based remuneration* motivates and rewards high performers who significantly contribute to sustainable results, perform according to set expectations for the individual in question, strengthen long-term client relations, and generate income.

Performance based remuneration may take the form of cash bonus, shares and/or share based instruments.

Pension schemes guarantee staff a basic cover in the event of critical illness or death and pension payment on retirement. In general, staff are covered by defined contribution plans with a pension insurance company.

Other benefits are awarded on the basis of individual employment contracts although ISI offers core benefits of private health cover, life assurance and income protection/long term disability cover.

Severance payments are payable at ISI's discretion in accordance with relevant local legislation and individual circumstances and will reflect performance achieved over time and will not reward failure.

2.4 Performance-based remuneration

Performance-based remuneration is awarded in a manner which promotes sound risk management and does not induce excessive risk-taking.

Performance-based pay is assessed based on both qualitative and quantitative criteria and encourages staff to act with integrity and in the best interests of clients and is awarded by ensuring:

- An appropriate balance between fixed and performance-based components; and
- That the fixed component represents a sufficiently high proportion of the total remuneration to make non-payment of the performance-based component possible.

Performance-based remuneration (pools or pay-out) must be based on an assessment of ISI's results and a number of performance indicators reflecting ISI's strategic key priorities. For example, these cover:

- Profits or losses after tax;
- Assessment of risk-adjusted return; and
- Compliance with internal business procedures.

Performance-based pay also reflects ISI's financial results, the result of the business unit in which the employee is employed and the individual employee's performance. Further, both financial and non-financial factors shall be taken into consideration when determining the individual's bonus, i.e. compliance with internal guidelines and procedures, including clients and investor-related guidelines, as well as good conduct. A discretionary assessment is always made to ensure that other factors – including factors which are not directly measurable – are considered.

Performance-based pay is granted to staff with particular influence on ISI results. As an overall starting point, ISI ensures an appropriately balanced split between fixed salary and variable pay.

2.5 Miscellaneous

To the extent legally acceptable under applicable law, the board may deviate from this policy in individual cases, if justified by extraordinary and exceptional circumstances.