

Vanda Asset Management Limited

MIFIDPRU 8 Remuneration Disclosure

Introduction

Vanda Asset Management Limited ('Vanda' or 'the Firm') is authorised and regulated by the Financial Conduct Authority (the "FCA"). The Firm is incorporated as a UK Limited company that has been established to provide investment management services. Vanda is classified as a "SNI Investment Firm" and so makes this disclosure in accordance with the requirements contained within MIFIDPRU 8.6. Vanda is subject to the basic requirements of the MIFIDPRU Remuneration Code (as laid down in Chapter 19G of the Senior management arrangements, Systems and Controls sourcebook in the FCA Handbook ("SYSC")). Vanda, as an alternative investment fund manager, is also classified as a 'collective portfolio management investment firm', and as such, is also subject to the AIFM Remuneration Code (SYSC 19B).

The Remuneration Code (the "RemCode") covers an individual's total remuneration including fixed and variable. The Firm incentivises staff through a combination of the two.

Vanda's policy is designed to ensure that it complies with the RemCode and its compensation arrangements:

1. Promote effective risk management in the long-term interests of the Firm and its clients;
2. Ensure alignment between risk and individual reward;
3. Support positive behaviours and healthy Firm cultures and are in line with the Firm's business strategy and long-term interests;
4. Discourage behaviours that can lead to misconduct and poor customer outcomes; and
5. Are on a gender-neutral basis.

Proportionality

The FCA has sought to apply proportionality with respects to Firm's disclosures. Vanda's disclosure is made in accordance with its size, internal organisation, nature, scope and complexity of its activities.

Application of the Requirements

The Firm completes the remuneration disclosure annually on the date the Firm publishes its annual financial statements. As appropriate, this disclosure will be made more frequently if there is a major change to the Firm's business model. There have been no significant changes since the previous disclosure.

Summary of the Firm's approach to remuneration for all staff, including the decision-making procedures and governance in adopting the remuneration code:

- Vanda's remuneration policy was prepared internally by the Firm's board in line with the Remuneration principles laid down by the FCA. The board developed the remuneration policy and it is currently reviewed on at least an annual basis or at any point where there is a significant change in the business model.
- The Firm seeks to ensure that remuneration practices reflect the Firm's articulated purpose and positive culture. Compensation is based upon a balance of financial and non-financial measures, with all staff compensated based upon the performance of their role, function/business unit and the business as a whole.
- All staff members are entitled to both fixed and variable remuneration.

Key characteristics of the remuneration policies and practices:

- The various components of remuneration for all staff members are as follows:
 - Fixed remuneration, including salary, payroll taxes and benefits in kind
 - Variable remuneration, including discretionary bonuses and the related payroll taxes
- Fixed remuneration is agreed at the point of hiring the individual and is in line with prevailing market conditions for the role and specific person in consideration of experience skill set and educational background. Salaries are reviewed at least annually; however an individual's salary is taken into account when allocating any variable component of remuneration to ensure that the total compensation of each individual is reasonable and within limits.
- Variable remuneration is awarded discretionary and is performance-related, with consideration to the performance of the individual, performance of the business unit concerned and the overall results of the Company. Performance assessment will not relate solely to financial criteria but will also include compliance with regulatory obligations and adherence to effective risk management.

Aggregate quantitative information on remuneration:

With respect to the financial year ended 31 December 2022, the total amount of remuneration awarded to all staff interpreted under SYSC 19G.1.24G was as follows:

	Fixed remuneration	Variable remuneration
All staff	£799,190	£46,578