MIFIDPRU 8 Disclosure

GoldenTree Asset Management UK LLP · Financial year ended 31 December 2025

Date of publication: September 2026

1 Introduction and scope (MIFIDPRU 8.1)

GoldenTree Asset Management UK LLP (the "Firm", FRN 433066) is authorised and regulated by the Financial Conduct Authority ("FCA"). It provides investment management and advisory services, as sub-adviser, to its ultimate parent, GoldenTree Asset Management LP, an investment adviser registered with the US Securities and Exchange Commission (the "Parent" and, with its subsidiaries, the "Group").

The Firm is a non-small and non-interconnected ("non-SNI") MIFIDPRU investment firm. This document sets out its MIFIDPRU 8 disclosures on an individual basis as at 31 December 2025, using figures from its audited financial statements (available from Companies House) and regulatory returns for the year then ended.

The Firm meets the conditions in MIFIDPRU 7.1.4R(1) and SYSC 19G.1.1R(2). Accordingly, it is not required to establish risk, remuneration or nomination committees, MIFIDPRU 8.7 (investment policy) does not apply and the remuneration disclosures in MIFIDPRU 8.6.6R(4) and 8.6.8R(6) are not required.

The Governing Body has approved this document, including the risk statement in section 3. There have been no significant changes to the information disclosed since the previous disclosure

2 Governance arrangements (MIFIDPRU 8.3)

The Governing Body is the Firm's management body. It meets quarterly and is responsible for the Firm's strategy, risk appetite and budget, for approving the ICARA and the remuneration policy, and for oversight of the Firm's systems and controls. Its terms of reference reflect SYSC 4.3A.1R.

Effective and prudent management is supported by the segregation of business and control functions, an independent Compliance function that reports to the Governing Body, and regular management information on compliance, financial, legal and risk matters.

Conflicts of interest are identified and managed under the Firm's conflicts of interest policy, monitored by Compliance and reported to the Governing Body.

The Firm has not established a risk committee and is not required to do so under MIFIDPRU 7.3.1R (see section 1).

2.1 Directorships

Directorships held by members of the Governing Body at 31 December 2025 are set out below (MIFIDPRU 8.3.1R(2)). In accordance with MIFIDPRU 8.3.2R, directorships within the Group and in organisations that do not pursue predominantly commercial objectives are excluded.

Member	Executive directorships	Non-executive directorships
Lee Kruter	0	0
Simon Granger*	0	2
Clare Rankin	0	0
Chad Earnst*	0	27
George Travers*	0	2

* Includes directorships held by virtue of their roles within the Group, on the boards of funds managed by the Group and of corporate affiliates.

2.2 Diversity of the Governing Body

The Governing Body is appointed on merit, with regard to the benefits of a diverse range of skills, experience, backgrounds and perspectives. Given its size, the Firm has not set diversity targets.

3 Risk management objectives and policies (MIFIDPRU 8.2)

Risk statement. The Firm provides its services solely to the Parent, under a cost-plus arrangement. It holds no client money or client assets, does not deal on own account and has no trading book; investment and market risk in the funds it advises is borne by the funds and overseen by the Parent as investment manager. Its potential to cause harm to clients and markets therefore arises principally from operational or conduct failures in delivering its services; its principal financial risk is its dependence on the Parent for revenue and liquidity. The Firm's risk appetite is low.

Risk management framework. The Governing Body sets the Firm's risk appetite and oversees a risk register that identifies potential harms to clients, markets and the Firm and scores each risk for impact and probability. Risks outside appetite are prioritised for remediation, and key risks are reported to the Governing Body at each meeting. The register informs the ICARA (section 4.2).

3.1 Own funds requirements – MIFIDPRU 4

The Firm's objective is to hold own funds in excess of its own funds requirement and any additional amount identified by the ICARA, so that it can absorb losses and, if necessary, wind down in an orderly manner. The requirement is set by the fixed overheads requirement ("FOR"), which exceeds both the permanent minimum requirement and the K-factor requirement (K-AUM being the only applicable K-factor). As the FOR moves with the fixed cost base, Compliance and Finance monitor own funds against the requirement and report quarterly to the Governing Body, so that additional members' capital can be contributed ahead of growth in costs.

3.2 Concentration risk – MIFIDPRU 5

The Firm has no trading book and is therefore not subject to the K-CON requirement. Its principal concentration is its dependence on the Parent, from which all of its revenue and its largest receivable arise.

This is managed through regular dialogue with the Parent, which provides funding where needed to maintain adequate liquidity, and Parent failure is the scenario modelled in the Firm's wind-down planning.

3.3 Liquidity – MIFIDPRU 6

The Firm's objective is to meet its obligations as they fall due, including in an orderly wind-down. It holds core liquid assets to meet its basic liquid assets requirement ("BLAR") of one third of the FOR and provides no client guarantees.

The principal liquidity risk is a delay in receipts from the Parent. Liquidity is monitored against the BLAR, and the ICARA assesses under severe but plausible stresses, including delayed Parent payments, whether additional liquid assets are required.

4 Own funds (MIFIDPRU 8.4)

4.1 Composition of own funds

Own funds consist solely of members' capital, which qualifies as common equity tier 1 ("CET1") capital; the Firm holds no additional tier 1 or tier 2 instruments. Tables OF1 to OF3 follow the templates in MIFIDPRU 8 Annex 1R (£000, 31 December 2025).

OF1 – Composition of regulatory own funds

#	Item	Amount (£000)	Source (audited balance sheet)
1	**OWN FUNDS**	**3,325**	
2	**TIER 1 CAPITAL**	**3,325**	
3	**COMMON EQUITY TIER 1 CAPITAL**	**3,325**	
4	Fully paid up capital instruments	3,325	A
5	Share premium	–	
6	Retained earnings	–	
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	–	

#	Item	Amount (£000)	Source (audited balance sheet)
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 DEDUCTION FROM TIER 2	–	
29	Tier 2: Other capital elements, deductions and adjustments	–	

OF2 – Reconciliation of regulatory own funds to the balance sheet in the audited financial statements £000, as at 31 December 2025

	Item	(a) Balance sheet as in audited financial statements	(b) Under regulatory scope of consolidation	(c) Cross-reference to OF1
Assets – Breakdown by asset classes according to the balance sheet in the audited financial statements				
1	Investments	66		
2	Debtors	33,718		
3	Cash and cash equivalents	1,286		
	Total Assets	**35,070**		
Liabilities – Breakdown by liability classes according to the balance sheet in the audited financial statements				
1	Creditors: amounts falling due within one year	25,974		
2	Creditors: amounts falling due in more than one year	670		
	Total Liabilities	**26,644**		
Members' interests				
1	Loans and other debts due to members	5,101		–
2	Members' capital classified as equity	3,325		A
	Total members' interests	**8,426**		

OF3 – Main features of own instruments issued by the Firm

Feature	Members' capital
Issuer	GoldenTree Asset Management UK LLP
Instrument	Members' capital (CET1)
Amount recognised in regulatory capital	£3,325k
Maturity and distributions	Perpetual; no coupon or call; repayable only at the Firm's discretion
Ranking	Subordinated to all creditors, including loans and other debts due to members

4.2 Own funds requirement (MIFIDPRU 8.5)

The Firm's own funds requirement at 31 December 2025 is set out below.

Own funds requirement	£000
Sum of K-AUM, K-CMH and K-ASA	730
Sum of K-COH and K-DTF	–
Sum of K-NPR, K-CMG, K-TCD and K-CON	–
K-factor requirement	**730**
Fixed overheads requirement	**3,263**
Permanent minimum requirement	75
Own funds requirement (highest of the above)	**3,263**

Approach to assessing adequacy. The Firm assesses compliance with the overall financial adequacy rule (MIFIDPRU 7.4.7R) through its ICARA, which the Governing Body reviews and approves at least annually and following any material change in the business.

The ICARA uses the risk register and severe but plausible stress scenarios to assess whether own funds or liquid assets are required beyond the own funds requirement and the BLAR to address potential harms from ongoing activities. It also determines the resources needed for an orderly wind-down, modelled on the failure of the Parent or a strategic exit from the UK.

5 Remuneration policy and practices (MIFIDPRU 8.6)

The Firm's remuneration policy applies the MIFIDPRU Remuneration Code (SYSC 19G) to all staff, including members of the LLP, and is intended to promote sound and effective risk management without encouraging excessive risk-taking. As the Firm acts solely for the Parent and its revenue is set by a cost-plus arrangement, variable remuneration reflects the long-term performance of the funds managed by the Group and individual contribution, rather than the Firm's own short-term results.

Governance. The Governing Body approves the remuneration policy, oversees its implementation and reviews it at least annually. Profit allocations to members are determined by the Firm's corporate member, GoldenTree Asset Management UK Service Co. Limited, under the partnership agreement. No remuneration committee is required (see section 1).

Material risk takers ("MRTs"). MRTs are identified using the criteria in SYSC 19G.5.3R and comprise senior management and senior investment professionals.

Fixed and variable remuneration. Fixed remuneration comprises salary, pension contributions and benefits; it reflects professional experience and organisational responsibility and does not vary with performance. Variable remuneration comprises discretionary bonuses and, for members, discretionary profit allocations. Fixed remuneration is set at a level that allows variable remuneration to be reduced to nil.

Performance assessment. Variable remuneration is determined using financial and non-financial criteria at three levels: the Group and the Firm (performance of the funds managed by the Group, the business unit (contribution to investment and operational objectives) and the individual (delivery against objectives, conduct, compliance and risk management).

Risk adjustment. Variable remuneration is set with regard to the Firm's capital and liquidity position and the current and future risks identified in the ICARA, and may be reduced to nil. Awards to MRTs are subject to malus and clawback, including where the MRT participated in or was responsible for conduct resulting in significant losses to the Firm, or failed to meet appropriate standards of fitness and propriety.

Guaranteed variable remuneration and severance. Guaranteed variable remuneration is awarded only exceptionally, to new staff for their first year of service and only where the Firm has a sound and strong capital base. Severance payments reflect performance over time and do not reward failure or misconduct.

Quantitative disclosures

Remuneration awarded in respect of the financial year ended 31 December 2025 (£000):

Total number of material risk takers	**7**

Category	**Total**	**Fixed**	**Variable**
Senior management and other MRTs	23,889	2,613	21,276
Other staff	9,916	4,477	5,439
Total	**33,805**	**7,090**	**26,715**

Senior management and other MRTs are presented together in reliance on MIFIDPRU 8.6.8R(7)(a), as separate disclosure under MIFIDPRU 8.6.8R(4) would relate to one or two individuals and could identify them.