

CAPITAL REQUIREMENTS DIRECTIVE PILLAR 3 DISCLOSURE AND REMUNERATION CODE DISCLOSURE

Bivouac Capital LLP (“the Firm”) is authorised and regulated by the Financial Conduct Authority (“FCA”) and as such is subject to minimum regulatory capital requirements. The Firm is categorised as a BIPRU 50,000 Euros limited licence firm by the FCA for capital purposes. The Firm is not a member group and so is not required to prepare consolidated reporting for prudential purposes.

The management body of the Firm determines its business strategy and risk appetite along with designing and implementing a risk management framework that recognises the risk that the business faces. It also determines how those risks may be mitigated and assesses on an ongoing basis the arrangements to manage those risks. The management body manages the Firm’s risks business through a framework of policy and procedures having regard to relevant laws, standards, principles and rules (including FCA principles and rules) with the aim to operate a defined and transparent risk management framework. These policies and procedures are updated as required.

The management body has identified that operational, counterparty/credit, interest rate, liquidity, market, reputational and key person risks are the main areas of risk to which the Firm is exposed. Annually there is a formal review of the risks, controls and other risk mitigation arrangements and an assessment of their effectiveness. Where any material risks are identified, the financial impact of these risks are assessed as part of business planning and capital management and a decision is made as to whether the amount of regulatory capital is adequate.

The Firm is small with an operational infrastructure appropriate to its size with the objective of minimizing operational risk. Daily controls are in place to both monitor and control operational risk, plus a resilient business continuity plan is in place which is tested periodically. It carries no market

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risk, and credit risk from management and performance fees receivable from the funds under its management. The Firm follows the standardized approach to market risk and the simplified standard approach to credit risk. Interest risk is minimal to the Firm as only relates to cash balances held by the Firm. Liquidity risk is controlled by actively managing the cash resources of the Firm to ensure adequate capital is retained in cash to more than cover any projected costs. Reputational risks of using outsourced providers is managed by a thorough vetting and review process. Key person risk is actively monitored and controlled. The Firm is subject to the Fixed Overhead Requirement and is not required to calculate an operational risk capital charge.

The Firm is a Limited company. Its capital is summarised as follows:

Capital Item	£'000s
Tier 1 capital	63
Total tier 2 and tier 3	0
Deductions from tier 1 and tier 2 capital	0
Total capital resources, net of deductions	63

As discussed above the firm is a limited licence firm and as such its capital requirements are the greater of:

- Its base capital requirement of €50,000; or
- The sum of its market and credit risk requirements: or
- Its Fixed Overhead Requirement

Pillar 3 Disclosure Policy

The Firm, on at least an annual basis, reviews the disclosure and the applicable rules by formal process and will make the appropriate

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disclosure. Some information may be omitted if it is immaterial or proprietary or confidential. No information is excluded for proprietary or confidential reasons in the above.

Remuneration Code Disclosure

The firm is authorised and regulated by the Financial Conduct Authority as a BIPRU 50,000 Euros Limited Licence Firm and so, it is subject to FCA Rules on remuneration. These are contained in the FCA's Remuneration Code located in the SYSC Sourcebook of the FCA's Handbook. The FCA defines Remuneration Code Staff ("Code Staff") in SYSC 19C.3.4 as senior management, risk takers, staff engaged in control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as those detailed above, whose professional activities have a material impact on the firm's risk profile.

Our disclosure is made in accordance with our size, internal organization and the nature, scope and complexity of our activities therefore we are not required to appoint an independent remuneration committee. The Firm's policy has been agreed by the Senior Management in line with the Remuneration Code principles laid down by the FCA.

Our policy covers senior management, risk takers, staff engaged in control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as those detailed above, whose professional activities have a material impact on the firm's risk profile. It is reviewed annually or following a significant change to the business requiring an update to its internal capital adequacy assessment and designed to ensure that we comply with the Remuneration Code and our compensation arrangements:

1. are consistent with and promotes sound and effective risk management;

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2. do not encourage excessive risk taking;
3. include measures to avoid conflicts of interest; and
4. are in line with the Firm's business strategy, objectives, values and long-term interests.

Individuals are rewarded based on their contribution to the overall strategy of the business. Investment generation, investment trading, sales & marketing, operations, compliance and other factors such as performance, reliability, effectiveness of controls, business development and contribution to the business are taken into account when assessing the performance of the senior staff responsible for the infrastructure of the Firm. Remuneration is made up of salary and discretionary bonuses. The factors to be used in setting bonuses are at the absolute discretion of the Firm depending on the performance of the Firm as well as individual performance. The Firm has chosen not to disclose exact remuneration figures.

The Firm is a BIPRU Limited Licence firm and, as such, can dis-apply certain rules under the BIPRU remuneration principles proportionality rules. As a result:

- The Firm does not operate a deferral policy
- Performance adjustment is not applied.

We may omit required disclosures where we believe that the information could be regarded as prejudicial to the UK or other national transposition of Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data.