



MIFIDPRU 8 DISCLOSURE

AUGUST 2026

The Financial Conduct Authority ("FCA") in the Prudential sourcebook for MiFID Investment Firms in the FCA Handbook ("MIFIDPRU") and the interim prudential sourcebook for investment businesses ("IPRU-INV") set out the detailed prudential requirements that apply to Chepstow Lane Capital LLP ("Chepstow" or the "Firm"). Chapter 8 of MIFIDPRU ("MIFIDPRU 8") sets out public disclosure rules and guidance with which the Firm must comply, further to those prudential requirements. The purpose of this document is to satisfy the disclosure requirements pursuant to MIFIDPRU 8.

Chepstow Lane Capital LLP ("Chepstow" or the "Firm") is a collective portfolio management investment ("CPMI") firm and, for the purposes of MIFIDPRU, is also a small, non-interconnected investment firm authorised and regulated by the Financial Conduct Authority (FCA) under firm reference number 965242. The Firm does not have additional tier 1 instruments in issue. As such, the Firm is required by MIFIDPRU 8 to disclose information regarding its remuneration policy and practices.

This document has been verified by the Firm's Management Committee. Unless otherwise stated, all figures are as at the Firm's most recent 31 December financial year-end.

REMUNERATION POLICY AND PRACTICES

As a small and non-interconnected firm under MIFIDPRU, Chepstow is subject to the 'basic' requirements of the MIFIDPRU Remuneration Code. The purpose of the FCA's remuneration rules is to:

- Promote sound and effective risk management and discourage risk-taking that exceeds firms' risk tolerance;
- Align staff interests with business strategy, objectives, values, culture, and long-term interests;
- Incorporate measures designed to avoid conflicts of interest between firms and their clients; and
- Support positive behaviours and discourage behaviours that impair compliance with firms' duties to act in the best interests of clients.



The Firm's remuneration practices aim to satisfy the foregoing requirements.

Remuneration is a key element in how the Firm attracts, motivates, retains high-quality staff and sustains consistently high levels of performance, productivity and results. As such, the Firm's remuneration philosophy is also grounded in the belief that its people are the most important asset and greatest competitive advantage.

Chepstow is committed to excellence, teamwork, ethical behaviour, and the pursuit of exceptional outcomes for its clients. From a remuneration perspective, this means that performance is determined through the assessment of various factors that relate to these values, and by making considered and informed decisions that reward effort, diligence, and results.

REMUNERATION FRAMEWORK

The Firm's remuneration framework has been designed by the Management Committee in such a way as to set remuneration at a level such that staff are fairly and responsibly rewarded in a manner which is commensurate with their experience and ongoing performance.

Remuneration at Chepstow is made up of fixed and variable components. The sole component of remuneration that the Firm has categorised as fixed remuneration is base salary paid to staff. The fixed component is set in line with market competitiveness at a level to attract and retain skilled staff.

The fixed and variable components of remuneration are appropriately balanced: the fixed component represents a sufficiently high proportion of the total remuneration to enable the operation of a fully flexible policy on variable remuneration. This allows for the possibility of paying no variable remuneration component, which the Firm may do should a need arise, such as where there is a risk that the Firm may not be able to meet its regulatory capital or liquidity requirements.

Variable remuneration is entirely discretionary, and the size of the variable remuneration pool takes into account the Firm's overall financial position (capitalisation, liquidity buffer, as well as current and future risks as identified in the Firm's ICARA), as well as the financial and non-financial performance of each individual. Non-financial criteria considered includes, but is not necessarily limited to:

- Adherence to the FCA's Conduct Rules;
- Upholding company values;
- Work ethic and level of diligence applied to the role;
- Compliance with the Firm's policies and procedures;
- Where applicable, adherence to risk limits and the appropriate control of risk within the agreed framework for the relevant investment strategies.

All members of staff are eligible to receive variable remuneration. Members of the LLP receive variable remuneration through the discretionary allocation of LLP profit share, rather than through a separate discretionary bonus scheme (as is the case with members of staff who are not members of the LLP). In certain circumstances, proportions of variable remuneration may be deferred and invested in the fund managed by the Firm in order to align staff interests with those of underlying investors. The Firm does not operate any other executive incentive schemes or any other remuneration structures outside of the discretionary bonus scheme described above.



REMUNERATION GOVERNANCE

Given its status as a small and non-interconnect firm, the Firm is not required to, and has not established, a Remuneration Committee and, as a result, governance and oversight in respect of the Firm's remuneration practices is exercised by the Management Committee.

Due to the relatively small size of the business, staff engaged in control functions are not always fully independent from the business units they oversee. However, the Firm has established an appropriate segregation between its investment and non-investment teams. The Firm has appointed an independent COO/CRO who is not a member of the investment team, but who is a partner, the Compliance Officer, and a member of the Management Committee. Therefore, the COO/CRO is well informed on all aspects of the Firm's and its clients' operations and, in light of his position within the Firm, has sufficient authority to input into and influence the Firm's remuneration decisions.

Given the structure and composition described above, the Firm believes that the Management Committee:

- Is appropriately staffed to enable it to exercise competent and independent judgement on remuneration policies and practices and the incentives created for managing risk, capital, and liquidity.
- Ensures that the Firm's remuneration policy and practices take into account the long-term interests of the owners, clients, and other stakeholders in the Firm.
- Ensures that the overall remuneration policy is consistent with the business strategy, objectives, values, and interests of the Firm and of its clients.

The Remuneration policy and practices are formally reviewed by the Management Committee on an annual basis.

QUANTITATIVE REMUNERATION DISCLOSURE

For the financial year 1 January to 31 December 2025, the total remuneration awarded to all staff was £3,845,915. Within this figure, the amount of the fixed remuneration of these staff was £825,730 and the amount of the variable remuneration of these staff was £3,020,185.

For these purposes, 'staff' is defined broadly, and includes, for example, employees of the Firm itself, partners, employees of service companies, and secondees.

Chepstow Lane Capital LLP

20 North Audley Street, London, W1K 6WE.

Chepstow Lane Capital LLP is authorised and regulated by the Financial Conduct Authority (FRN 965242).

Chepstow Lane Capital LLP is registered in England and Wales with registered number OC440063