

CVC

MIFIDPRU 8 Public Disclosure

CVC Credit Partners Investment Management Limited
31 December 2025

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Introduction

This disclosure report (“report”) has been prepared by CVC Credit Partners Investment Management Limited (the “Firm”) to fulfil the regulatory disclosure requirements set out by the Financial Conduct Authority (“FCA”) in the Prudential sourcebook for MiFID Investment Firms (“MIFIDPRU”).

This report is prepared on an individual basis and is applicable to the following entity:

- CVC Credit Partners Investment Management Limited (FRN: 543560)

This report has been prepared using the audited financial statements as at 31 December 2025, covering the financial period 1 January 2025 to 31 December 2025.

For the purposes of MIFIDPRU, the Firm has been classified as a “non-SNI” firm and is subject to the standard disclosure requirements of MIFIDPRU 8.

Governance and Risk Management

Governing Body Responsibility and Composition

The governing body of the Firm (the “Board”) maintains management and oversight responsibility and meets regularly to discharge its duties in accordance with SYSC 4.3A.1R.

The table below shows the composition of the Board and number of directorships (executive or non-executive) held by each member of the Board as at 31 December 2025 in accordance with MIFIDPRU 8.3 and subject to any exemptions permitted under MIFIDPRU 8.3.2R:

Board Member	External directorships
Andrew Davies	0
Guillaume Tarneaud	0
Andrew Haven	0

The Board, acting through the Firm’s Executive Committee where appropriate, is responsible for setting the Firm’s business objectives, strategy and annual budgets. The Executive Committee is responsible for oversight of the day-to-day operations of the business. Accordingly, it receives regular reporting and management information on the Firm’s operations, enabling the Firm’s prudent management.

Risk Management Objectives and Policies

Risk governance – CVC Capital Partners plc

The Board (“PLC Board”) of CVC Capital Partners plc (the “PLC”) is responsible for the effectiveness of the PLC’s risk management and internal control systems. It delegates oversight of the Risk Management Framework (“RMF”) to a Risk Committee consisting of Non-Executive Directors. The Risk Committee coordinates with the Audit Committee of the PLC Board to assess the overall effectiveness of the PLC’s material controls, with the Audit Committee focusing on financial controls, and the Risk Committee on the broader control environment. Also at the PLC level, a Management Risk Committee (MRC) monitors implementation of the PLC’s RMF and Risk Appetite Policy (“RAP”) and escalates significant matters to the PLC Board through the Risk Committee.

Risk governance – Firm-level

The Board, acting through the Firm’s Executive Committee where appropriate, has overall responsibility for risk management within the Firm, including establishing the Firm’s risk appetite, and for evaluating its risk management policies and practices against its objectives, including ensuring that potential conflicts of interest are identified, assessed and managed, and that appropriate controls have been established. It receives advice from the PLC’s Group Risk function and makes use of the PLC’s RMF and RAP.

The Firm is not required to establish its own Risk Committee in accordance with MIFIDPRU 7.3.1R.

Investment risk governance

Investment decisions are approved by the relevant Investment Committee. For Liquid Credit, these decisions are at the credit level (issuer/instrument and associated limits).

A strategy-specific committee reviews portfolio performance. This involves portfolio risk monitoring, including reviewing performance trends and identifying and managing underperforming assets; review of key portfolio metrics and limits as well as other portfolio-related issues. A strategy-specific committee also reviews and challenges proposed valuations, key assumptions and methodology in line with the frequency required per fund/mandate.

Three lines of defence

CVC follows the ‘three lines of defence’ model to clarify responsibilities and maintain segregation of duties:

- **First Line – Business & Management:** own risks and controls within their processes; identify, assess, manage, and monitor risks.

- **Second Line – Risk, Compliance, and Legal:** set policy and standards; provide oversight, challenge, advice, and monitoring of first-line effectiveness.
- **Third Line – Internal Audit:** provides independent assurance on the adequacy and effectiveness of governance, risk management, and internal control across the first and second lines.

Policy framework

Risk policies and standards set what must be done and who is accountable for managing risks and complying with applicable laws, rules, and regulations. Procedures and processes set how to comply and achieve business objectives in a controlled manner.

Training and awareness

CVC promotes ongoing awareness of risk and compliance, and employees have access to periodic training appropriate to their roles and locations.

Risk appetite

Risk appetite is the level of risk the governing body is willing to accept in pursuit of its objectives. At the PLC level this is communicated through the RAP. MRC reviews the PLC's risk appetite at least annually – or more frequently where material changes are proposed – before the Risk Committee conducts an independent review and recommends revisions to the PLC Board for approval.

The Board of the Firm may also establish Risk Appetite statements at a local level, so long as these do not exceed the Risk Appetite of the PLC.

Risk identification and assessment

The RMF uses complementary tools and techniques to identify and assess risk including 'top-down' assessment of principal risks, 'bottom-up' risk and control self-assessments, risk appetite metrics, scenario analysis, stress testing, risk event management, emerging risk analysis, regulatory capital assessments and specialist assessments.

Material harms assessment

The Firm is required by MIFIDPRU 7.4.9 to have in place appropriate systems and controls to identify, monitor and, if proportionate, reduce all material potential harms (a) that the ongoing operation of the Firm's business may cause to (i) the Firm's clients and counterparties, (ii) the markets in which the Firm operates and (iii) the Firm itself; and (b) that may result from winding down the Firm's business, to ensure that the Firm can be wound down in an orderly manner. This is assessed in the Firm's ICARA process and document.

MIFIDPRU 5.2.1 requires the Firm to monitor and control its concentration risk. Concentration risks in respect of the Firm's revenues, assets, clients, counterparties and suppliers are assessed within the relevant risk categories below, rather than treated as a separate category of their own. Reputational and sustainability considerations are also assessed across all relevant risks, rather than as standalone risks.

Risk categories and risks

Risk category	Description	Mitigation
Business and strategic risks	The PLC's Principal Risks under this category are <i>Fundraising</i>, <i>Fund performance</i> and <i>People</i>. Fundraising risks would affect the Firm through a reduction in its Assets Under Management over time, which would directly reduce its revenues from management/advisory fees. Fund performance risks would affect the Firm in the short-term through a reduction in certain management fees and performance fees, and in the long term through damage to reputation and difficulty in raising funds. The sudden or unexpected departure of senior individuals could lead to 'key person' clauses being triggered on certain funds, limiting ability to invest and potentially reducing fees. Other business and strategic risks included in the risk taxonomy include those relating to governance, corporate strategy, the external environment, shareholder relations and sustainability. The external environment (e.g. geopolitical, macroeconomic, and the market for the Firm's products) may impact the ability of the Firm to generate fee revenue.	The Firm has a strong track record of raising capital and a highly experienced Client & Product Solutions team with a structured fundraising approach and strong relationships with investors. Key controls include review and approval of new products, as well as comprehensive pipeline monitoring. Most investment vehicles managed or advised by the Firm or are closed-ended and/or have long-term committed capital. Fund performance risks are mitigated by a long-established, highly selective investment process underpinned by investment committees, and rigorous portfolio monitoring processes. People risks are mitigated by remuneration benchmarking, succession planning for key roles, and the assignment of multiple 'key persons' in fund documents to reduce single person risk, and tracking of key person status. Business and strategic risks, to the extent they are relevant and material to the Firm rather than just the PLC, are monitored (for example by financial analysis and monitoring metrics), and considered in stress tests in the Firm's ICARA.
Financial risks	The PLC's Principal Risks under this category are <i>Market</i> and <i>Liquidity</i>. The Firm does not trade on its own account, maintain a trading book or hold co-investments or warehoused assets so there is no direct market risk at Firm level. Carried interest and co-invest distributions are not received by the Firm. The Firm has limited market risk exposures resulting from assets and liabilities denominated in foreign currency, which may result in lower than expected profits, regulatory capital and liquid assets (denominated in GBP) in the event of adverse exchange rate movements. Other financial risks included in the risk taxonomy include those relating to capital management and credit risk. The Firm has credit risk exposure in relation to its bank deposits and revenue receivables.	The Firm has liquidity planning processes, largely predictable timing and amounts of management fee cash flow, and typically holds liquid assets considerably above those required by the ICARA. The Firm's cash is primarily held in GBP, EUR and USD reflecting the denomination of its income and expenses. The Firm's financial statements are presented in GBP. The Firm holds its cash with banks assigned high credit ratings, and the probability of bank default is considered extremely remote. Defaults on revenue receivables are also considered a remote possibility. For related entities, the Firm has a strong understanding of those entities' financial positions throughout the year. For external fee debtors, the Firm assesses entities before contracting, invoices in accordance with the relevant agreements, and monitors receipts on a regular schedule. Capital-related risks are assessed through the ICARA.

Risk category	Description	Mitigation
Operational risks	The PLC's Principal Risks under this category are <i>Legal & regulatory</i>, <i>Information security</i> and <i>Third-party service providers</i>. The Firm is required to comply with a wide range of laws and regulations, and failure to do so could result in regulatory penalties, restrictions on activities or loss of reputation. In common with nearly all other businesses, the Firm has inherent exposure to information security risks. Other than regulatory compliance or information security matters considered above, failures at third parties are considered more likely to result in internal business disruption and additional work rather than direct harm. Other operational risks included in the risk taxonomy include external reporting, financial operations, technology and operational resilience. Given the high volume of investment transactions generated by the firm in its Liquid Credit business, there is some potential for harm arising from trade errors. On a residual risk basis, we have not identified any additional material harms relating to these other risks.	The Firm's first-line functions assess their operational risks and implement appropriate controls to mitigate those risks. The Firm's operational risks and controls are subject to review by second-line (Compliance, Risk) and third-line (Internal Audit) functions. Legal and regulatory risks are managed through the use of internal specialists and external advisers, ongoing monitoring and various specific process-level controls. Information security risks are managed through the information security governance framework, specialist information security team and a variety of controls. Legal and regulatory and information security risks are also considered in material harms scenarios in the ICARA. Third party service provider risk is managed through appropriate take-on and monitoring procedures. A material harm scenario relating to trade errors has been included in the ICARA.

Promoting Diversity and Inclusion

The CVC group (in this section, "CVC", "we", "us"), of which the Firm is a part, strives to foster a supportive and inclusive working environment, where everyone feels valued and respected. We are committed to providing an open and inclusive work environment for all, and we value the richness of diverse perspectives and experiences. We believe that a diverse workforce leads to better decision making, stronger innovation and ultimately, improved performance. To do this, we leverage the talents of all of our employees, regardless of their background, identity or experience.

MIFIDPRU requirements

MIFIDPRU 8 requires a summary of the Firm's policy promoting diversity on its 'management body'. Due to the purpose, structure, governance arrangements and employment practices of regulated entities established within CVC, ambitions are not set at individual entity level (either for the specific entity's employees as a whole or for its management body). However, each entity contributes to and adopts CVC's overall objectives. Further information on CVC's approach to Diversity and Inclusion can be found on the *Sustainability*¹ and *Inclusion and Diversity*² pages of CVC's website.

CVC's commitment

CVC's Inclusion and Diversity Committee, founded in 2016, brings together senior leaders from across the network to champion our inclusive culture and drive diversity of thought and experience, which strengthens teams, decisions, and performance.

We continue to strengthen our inclusive culture through employee-led networks, inclusive leadership training, and dedicated events.

Our commitment to diversity and inclusion extends to our portfolio companies and the industry. CVC has a global network, and we strive for our teams to reflect the societies in which they operate.

¹ <https://www.cvc.com/sustainable-value/sustainability/>

² <https://www.cvc.com/sustainable-value/sustainability/inclusion-and-diversity/>

We focus on three key areas:

1. Attracting

CVC works with various recruitment partners and organisations including Sponsors for Educational Opportunity, 10,000 Black Interns and Out Investors to find the very best candidates from wide-ranging backgrounds and industries. We believe in hiring the best talent regardless of backgrounds. CVC recognises that a workplace that embraces a range of perspectives leads to innovation and superior investment performance.

2. Developing

We invest time and resources into developing our people. From technical training and industry qualifications to coaching and mentoring, we offer a range of initiatives to help our employees perform at their best. Our Women's, Pride and Multicultural Networks support these efforts through events, mentoring programmes, recruitment initiatives, and partnerships with external organisations.

3. Retaining

We take pride in offering a wide range of attractive benefits that support both professional growth and personal well-being. Our competitive retention offering includes:

- Six months of fully paid leave for primary caregivers
- Coaching support before and after parental leave
- A comprehensive package of benefits tailored to new parents

Own Funds Requirements

Own Funds Requirement

As a non-SNI firm, the Firm is required under MIFIDPRU 4.3 to maintain an amount of Own Funds that is the higher of the:

- Permanent Minimum Capital Requirement (“PMR”)
- K-factor requirement (“KFR”)
- Fixed overheads requirement (“FOR”)

The Firm's Own Funds Requirements as at 31 December 2025 according to MIFIDPRU 4.3 are as follows:

Requirement	GBP
Permanent Minimum Capital Requirement (PMR)	75,000
K-factor Requirement:	
Sum of K-AUM, K-CMH and K-ASA	3,797,704
Sum of K-COH and K-DTF	0
Sum of K-NPR, K-CMG, K-TCD and K-CON	0
Total K-factor Requirement (KFR)	3,797,704
Fixed Overhead Requirement (FOR)	8,329,415
Own Funds Requirement (OFR)	8,329,415

The Firm further assesses risks within its Internal Capital and Risk Assessment (“ICARA”) process under MIFIDPRU 7, and quantifies additional own funds requirements in respect of ongoing operations and wind-down, where applicable, to calculate its Own Funds Threshold Requirement (“OFTR”).

Liquid Assets Requirements

The Firm maintains core liquid assets in compliance with the Basic Liquid Asset Requirement (“BLAR”) under MIFIDPRU 6.

The Firm further assesses liquid assets required to fund ongoing operations and additional liquid assets required to fund wind-down as part of the ICARA process, and maintains liquid assets in compliance with the Liquid Assets Threshold Requirement (“LATR”).

Own Funds

In accordance with MIFIDPRU 8.4, the table below shows a reconciliation of own funds to the balance sheet of the Firm as at 31 December 2025. The balance sheet below is as per the audited financial statements.

Own Funds

#	Composition of regulatory Own Funds	Amount (GBP '000s)	Cross-reference (to Balance Sheet)
1	Own Funds	35,445	
2	Tier 1 Capital	89,212	
3	Common Equity Tier 1 Capital:	89,212	
4	Fully paid up capital instruments	5,750	10
5	Share premium	35,227	11
6	Retained earnings ³	35,768	14
7	Accumulated other comprehensive income	11,570	12
8	Other reserves	886	12
9	Adjustments to CET1 due to prudential filters	-	
10	Other funds	10	13
11	Total deductions from Common Equity Tier 1	(53,767)	
19	CET1: Other capital elements, deductions and adjustments	(53,767)	2, 6, 12 ⁴
20	Additional Tier 1 Capital	-	
21	Fully paid up, directly issued capital instruments	-	
22	Share premium	-	
23	Total deductions from Additional Tier 1	-	
24	AT1: Other capital elements, deductions and adjustments	-	
25	Tier 2 Capital	-	
26	Fully paid up, directly issued capital instruments	-	
27	Share premium	-	
28	Total deductions from Tier 2	-	
29	T2: Other capital elements, deductions and adjustments	-	

³ Retained earnings and Other reserves reflect the final 2025 audited results.

⁴ Deduction of material investments, deferred tax asset included in Debtors, and share-based payment reserve.

Balance Sheet

#	Balance sheet item as in audited financial statements	GBP '000s	Cross-reference (to Own Funds)
Fixed Assets:			
1	Tangible assets	1,990	
2	Investments	47,260	19
Current Assets:			
3	Deferred Costs: amounts falling due within one year	82	
4	Deferred Costs: amounts falling due after more than one year	390	
5	Debtors: amounts falling due within one year	37,637	
6	Debtors: amounts falling due after more than one year	9,633	19
7	Cash and cash equivalents	54,884	
Liabilities:			
8	Creditors: amounts falling due within one year	(39,809)	
9	Creditors: amounts falling due after one year	(22,855)	
Net assets		89,212	
10	Called-up share capital	5,750	4
11	Share premium account	35,227	5
12	Other reserves	12,456	7, 8, 19
13	Foreign exchange translation reserve	10	13
14	Profit and loss account	35,768	6
Total shareholders' funds		89,212	

Remuneration Policy and Practices

Introduction

The Firm follows the prescribed FCA guidelines found within Chapter 19G of the FCA's Senior Management Arrangements, Systems and Controls Sourcebook ("SYSC").

The Board is directly responsible for the overall Remuneration Policy which is reviewed annually. The Board has considered whether it is necessary to establish a separate Remuneration Committee, as it is exempted from the need to do so under MIFIDPRU 7.1.4R, and has determined that it is adequately skilled and sufficiently informed to carry out the key functions of a Remuneration Committee, as described in MIFIDPRU 7.3.3R. The Executive Committee reviews the remuneration strategy on an annual basis together with the remuneration of particular staff to ensure that the requirements in Chapter 19G of SYSC are adhered to.

Remuneration is designed to ensure that the Firm does not encourage excessive risk taking and staff interests are aligned with those of the Firm's clients. The Firm ensures that its remuneration structure promotes effective risk management and balances the fixed and variable remuneration components for all staff. Variable remuneration is considered in line with capital and liquidity requirements as well as the Firm's performance. The Firm monitors the fixed to variable compensation to ensure SYSC 19C is adhered to with respect to Total Compensation where applicable. Total Remuneration is based on balancing both financial and non-financial indicators together with the performance of the Firm and the staff member's business unit.

Material Risk Takers

Senior management and members of staff whose actions have a material impact on the risk profile of the Firm are classified as Material Risk Takers.

In accordance with MIFIDPRU 8.6.8, the Number of Material Risk Takers ("MRT"), including Senior Manager Function holders ("SMF") during the year ended 31 December 2025 was 11.

Remuneration for financial year 2025

Employee category	Total fixed remuneration GBP '000s	Total variable remuneration GBP '000s	Total remuneration GBP '000s
SMFs	888	904	1,792
Other MRTs	3,199	6,822	10,021
All other employees	15,809	10,513	26,322

The total amount of guaranteed variable remuneration awarded to MRTs during the last financial year was £0 (0 individuals). No MRTs received severance payments during the last financial year.