

REMUNERATION,
GOVERNANCE &
CAPITAL
DISCLOSURE

MIFIDPRU 8

Financial Year Ended 30
September 2024

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PURPOSE OF DISCLOSURE

This disclosure is designed to provide information on River Global's remuneration policies and practices. River Global is required to comply with applicable Remuneration Code requirements within the FCA's handbook of rules and guidance which are 'equivalent to European Union regulatory measures, including the UCITS Directive, the Alternative Investment Fund Managers Directive (AIFMD), Investment Firms Directive and Regulation (IFDR) and Markets in Financial Instruments Directive (MiFID II).

These rules recognise that not all Remuneration Code principles apply to firms equally and introduce a concept of proportionality, which applies the Code to the extent that it is appropriate to a firm's size, internal organisation (including legal structure) and the nature, scope and complexity of its activities.

SCOPE

The following information relates to the regulated entities in the River Global group (the "**Group**"). In line with the MIFIDPRU requirements, River Global Investors LLP and RGI Fund Management Limited are required to disclose details of remuneration arrangements on a solo-entity basis. In addition, RGI Fund Management Limited is required to provide remuneration disclosures to evidence compliance with UCITS V requirements. Please note this disclosure relates to the financial year ended 30 September 2024.

The following table sets out the application of the relevant Remuneration Code requirements to subsidiaries within the Group for the purposes of this disclosure:

River Global Entity	Status under FCA regime
River Global Investors LLP	SYSC 19G MIFIDPRU Non-SNI Firm
RGI Fund Management Limited	SYSC 19G MIFIDPRU Non-SNI Firm SYSC 19E UK UCITS

The disclosures have been reviewed and approved by the governing bodies of the regulated entities of the Group and are published on the website of each regulated entity. They have not been subject to audit.

OUR APPROACH TO REMUNERATION

The continued success of River Global relies on the collective efforts of our people, as we strive to add value for our clients. The Group aims to attract and retain talented members of staff across all roles, ensuring that we have the skills and capabilities to deliver for our clients over the long-term.

The purpose of our Remuneration Policy is to ensure that we have in place appropriate risk-focused remuneration mechanisms that promote effective risk management, support positive behaviours and reward principled conduct in line with the Investment Firms Prudential Regime ("IFPR") and applicable Remuneration Code rules in the FCA Handbook.

The Policy focuses on ensuring remuneration awarded:

- aligns pay with performance;
- encourages responsible business conduct and supports a strong conduct culture;
- is consistent with, and promotes, sound and effective risk management;
- is in line with the Group's business strategy, objectives, culture, values and long-term interests;
- does not encourage excessive risk taking, promotes risk awareness and prudent risk taking;
- does not limit the Group's ability to strengthen its capital base;
- does not conflict with duties to act in the best interests of clients; and
- includes measures to avoid conflicts of interest.

Crucially, our Remuneration Policy and associated remuneration practices are gender neutral. They do not discriminate on the basis of the protected

characteristics of an individual in accordance with the Equality Act 2010.

REMUNERATION GOVERNANCE

In accordance with MIFIDPRU 8.6.2R(3), the Group has disclosed below the "decision-making procedures and governance surrounding the development of the remuneration policies and practices the firm is required to adopt in accordance with the MIFIDPRU Remuneration Code.

Remuneration is overseen by a Remuneration Committee, which is responsible for setting, reviewing and overseeing the application of the Remuneration Policy, ensuring alignment with the Firm's risk profile and regulatory requirements

The Remuneration Committee oversees the application of the Remuneration Policy and ensures that remuneration arrangements are consistent with the Firm's risk profile and applicable regulatory requirements. The Group has arrangements in place to identify, manage and monitor conflicts of interest, and no individual is involved in decisions relating to their own remuneration. The Committee ensures that variable remuneration is not paid through any methods or vehicles that would circumvent the requirements of the applicable remuneration codes

MATERIAL RISK TAKERS

River Global has identified individuals who may have a material impact on the risk profile of its relevant regulated entities or the assets managed ("**Material Risk Takers**" or "**MRTs**"). The assessment process reviews the role and professional activities of staff against the criteria set out in SYSC 19G.5 and considers the guidance set out in SYSC 19G 5.4 G and SYSC 19G 5.5 G.

The Group's MRTs include :

- Members of the governing bodies of the regulated entities;
- senior management across the Group;
- the heads of a key areas such as equities;

- staff who have managerial responsibility for the activities of a control function or for the prevention of money laundering and terrorist financing.

The assessment of MRTs is maintained by the Human Resources Department and formally reviewed on an annual basis by both the Remuneration Committee, Management Committee and relevant boards. For the period under review, individuals were identified as MRTs in accordance with the relevant Remuneration Codes.

Variable remuneration awarded to MRTs will be subject to malus and clawback. Malus and clawback will be applied where a MRT participated in or was responsible for conduct which resulted in significant losses or failed to meet the Group’s high conduct standards related to fitness and propriety. Performance adjustment may result in the award being reduced or revoked.

REMUNERATION COMPONENTS

Staff are rewarded according to personal performance, their business division’s performance and the Group’s success balanced against risk management and considerations of culture and conduct. Consideration of culture and conduct will be included to reward high quality conduct which is consistent with the Group’s culture.

The fixed and variable components of remuneration shall be appropriately balanced and the fixed component of remuneration shall be a sufficiently high proportion of the total remuneration to enable a fully flexible policy on variable remuneration, including the possibility of paying no variable remuneration component.

When determining the appropriate ratio between fixed and variable components of remuneration, consideration is given to various factors including, the business activities undertaken and the associated conduct risks and whether the firm is a partnership. Different ratios may be set for different categories of staff. No staff member will receive only variable remuneration.

Fixed-variable
component ratio

1:10
(fixed : variable)

A description of the different remuneration components, their categorisation as fixed or variable remuneration, how they are determined and the link between pay and performance is set out in Table 1 below.

ASSESSMENT OF PERFORMANCE FOR VARIABLE PAY

Where remuneration is performance related, the total amount of remuneration will be based on a combination of:

- the assessment of the performance of the individual;
- the business unit concerned; and
- the overall results of the Company.

The assessment of performance is part of a multi-year framework that ensures that the assessment of performance is based on longer-term performance and the payment of performance based remuneration is spread over a period that takes account of the business cycle of the Company and its business risks.

The assessment of individual performance will take into account financial and non-financial criteria. Metrics on conduct will make-up a substantial portion of the non-financial criteria. Non-financial criteria will form a significant part of the assessment process. Non-financial metrics may include measures relating to building positive customer relationships and outcomes, achieving targets related to diversity and inclusion and ESG factors and adherence to compliance policies. Where applicable, non-financial metrics may include measures related to the consideration of sustainability risks and the integration of sustainability risks into investment decision making.

The Group’s incentive pool is allocated to each business unit, taking into account contractual remuneration arrangements in respect of the Group’s partnerships, incentive compensation targets set for each staff member, based on market competitive data or other factors specific to the relevant staff members. The final split by business and function is a combination of a bottom-up and top-down process.

As a result, individual incentive awards will be based on:

- a) the Group's performance;
- b) business unit performance; and
- c) individual performance (including performance relative to financial and non-financial goals, along with compliance and risk management).

Final incentive compensation allocations are discretionary but are based largely on individual performance as determined in the annual performance management cycle and Group compensation calibration meetings. Poor performance may result in a reduced award, or no award being provided.

Variable remuneration is subject to in-year adjustments and may be subject to malus and clawback.

EXCEPTIONAL REMUNERATION

In certain limited circumstances, the Group may make an award of Exceptional Remuneration where it is appropriate to do so taking into account all relevant circumstances. Awards of Exceptional Remuneration are subject to malus and clawback.

The different categories of Exceptional Remuneration are set out below:

A. Guaranteed variable remuneration or sign-on bonuses

Guaranteed variable remuneration or sign-on bonuses will be awarded rarely and in exceptional circumstances. This category of variable remuneration will usually be used to compensate new Group staff members where they have lost the opportunity to receive variable remuneration by leaving their previous employer during the performance period. Where reasonably practicable, evidence of the lost remuneration will be sought from the new hire.

Guaranteed variable remuneration will only be awarded to a MRT where it occurs in the context of a new hire, is limited to the first year of service and the Group has a strong capital base.

B. Buy-out awards

Buy-out awards may be used to compensate a new Group staff member where the deferred variable remuneration was reduced, revoked or cancelled by a previous employer as a result of that individual leaving that employer.

Buy-out awards or remuneration packages to compensate or buy out an MRT will align with the long-term interests of the Group and will contain provisions on periods of retention, deferral, vesting and risk adjustment that are no shorter than the corresponding periods that applied to unvested variable remuneration under the previous contract of employment and which remained outstanding.

The Group will, where practicable, take reasonable steps to obtain evidence of the award under the previous contract of employment to which the buy-out relates.

C. Retention awards

Retention awards will be awarded rarely and are bonuses which are dependent on an individual remaining in a role until a defined event or for a set period of time. Retention awards may be used under restructurings, corporate transactions or in the context of specific projects. Retention awards may include performance conditions.

Retention awards will only be awarded to an MRT after a defined event or for a specified period of time.

D. Severance pay

The Group must ensure that payments related to the early termination of a contract of employment or membership in case of a partnership (referred to as severance pay) reflect performance achieved over time and are designed in a way that does not reward failure.

Severance payments are generally intended to be reflective of contractual and statutory requirements as well as the performance of the staff member over their tenure and are not intended to reward failure, poor performance or misconduct. The Group shall ensure that contractual terms of termination, and any payments made are fair to the individual and members of the Group, that failure is not rewarded and that the duty to mitigate loss is recognised. No maximum amount of severance

pay has been set; however the Group will ensure that severance pay is not excessive.

Severance payments are typically accompanied by the execution of a settlement agreement between the Group and the terminated member of staff. Severance payments or other arrangements on termination of employment for a senior Group Staff member or MRT are subject to approval.

LINK BETWEEN REMUNERATION AND PERFORMANCE

In order to comply with MIFIDPRU 8.6.2R(1), the Group has considered it appropriate to describe below the link between performance and variable remuneration in conjunction with the Firm's main performance objectives (MIFIDPRU 8.6.3G).

The Group aims to ensure that variable remuneration reflects staff performance. As such, the Remuneration Committee undertakes a balanced assessment of financial and non-financial factors when determining an employee's performance (MIFIDPRU 8.6.6R(2)(b-c)). These factors include:

- 1) The individual's risk-taking, compliance with applicable regulations, business conduct and behaviour;
- 2) Metrics specific to the relevant business unit and AIF (for example, investment deals, investment performance and other factors such as profitability and performance of assets managed) and other specific departmental and corporate performance objectives and strategic goals;
- 3) Assessment of how the above results are achieved in terms of risk (profile, appetite and management) and consistency;
- 4) Performance and contribution to the Group's core initiatives and wider contribution to the Groups business objectives and its growth strategy; and
- 5) People related objectives, including adherence to the Groups values and behaviours, people management and development.

When determining variable remuneration, the Group also considers financial and non-financial performance of the entire Firm (MIFIDPRU 8.6.6R(2)(a)). This is primarily used to determine the size of the total compensation pool. The deciding factors include:

- 1) The impact of the proposed variable compensation pool of the Groups liquidity and capital base;
- 2) Whether the Groups risk profile and risk management support the proposed variable compensation pool;
- 3) Whether any material compliance breaches or issues have occurred in the year under consideration;
- 4) Commercial considerations including consideration of the market for talent;
- 5) Any reputational damages which should impact the total pool, or alternatively, whether the proposed pool would impact the Groups reputation adversely.

CONTROL FUNCTIONS

Our Remuneration Policy and associated practices ensure that staff are engaged in control functions:

1. are independent from the business units they oversee;
2. have appropriate authority; and
3. are remunerated (a) adequately to attract qualified and experienced staff, and (b) in accordance with the achievement of the objectives linked to their functions, independent of the performance of the business areas they control.

AVOIDANCE OF THE REMUNERATION CODE

The Group ensures that staff undertake not to use any personal hedging strategies, remuneration related insurance or liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements. If a staff member is found to have acted in breach of this undertaking, then they may be subject to disciplinary proceedings.

The Group confirms that remuneration is not paid through vehicles or methods that facilitate the avoidance of the applicable FCA Remuneration Codes. All recommendations for awards are subject to appropriate review and approval.

LINK BETWEEN REMUNERATION AND RISK

In addition to setting variable remuneration to reward performance, the Group ensures that its entire system of Remuneration appropriately manages risk in order to reward desired behaviours and culture displayed by staff. This includes setting the reward structures to be consistent with, and promote, sound and effective risk management and to not encourage risk-taking that is inconsistent with the Group's risk profile, governance requirements, or statutory obligations.

In accordance with SYSC 19G.4.5R, the Groups Remuneration Committee ensures that variable and fixed remuneration are balanced appropriately; setting fixed remuneration at a sufficient level to allow for flexibility in the setting of variable remuneration and accounting for the possibility of no variable remuneration being awarded.

FURTHER INFORMATION

For further information, please consult our website [river.global](https://www.river.global) or contact us at enquiries@river.global

QUANTITATIVE DISCLOSURES

Table 1 – Remuneration Components

COMPONENT	PURPOSE	DETAIL OF COMPONENT
Base salary (Fixed)	To help recruit and retain talent.	Base salaries reflect an individual's professional experience and organisational responsibility. Base salaries are set considering the individual's skills, the size and scope of their role and the market rate at comparator companies. Base salaries are generally reviewed annually as part of the annual performance evaluation process.
Monthly drawings (applicable to LLP partners only) (Fixed)	To provide monthly cashflow to partners in accordance with their profit-sharing arrangements.	Monthly drawing paid to partners in accordance with the terms of their profit-sharing arrangements set out in the relevant members' agreement for the relevant partnership.
Benefits (Fixed)	To help recruit and retain talent and promote health and wellbeing.	Benefits provided include defined contribution pensions with a Company contribution, private medical and life insurance. Difference in the level of benefits may exist for staff based outside of the UK or where prior to creation of the Company a higher level of benefit was offered.
Cash variable remuneration (Variable)	To motivate and reward individuals for achieving objectives aligned with the Group's strategy.	Cash variable remuneration is based on the assessment of the performance of the individual, relevant business division. The assessment of performance is part of a multi-year framework. The assessment of individual performance takes into account financial and non-financial criteria.
LLP Partners' variable profit share (Variable)	To allow partners to share in the profits of the respective partnership.	Variable profit-share paid to partners in accordance with the terms of their profit-sharing arrangements set out in the relevant members' agreement for the relevant partnership. The amount of variable profit share is based on the assessment of the performance of the individual, relevant business division. The assessment of performance is part of a multi-year framework. The assessment of individual performance takes into account financial and non-financial criteria.
Long term incentive awards (Variable)	To incentivise delivery of long-term performance and strategic objectives.	Long term incentive awards may be granted under share award plans of River Global PLC. Awards may be made in shares or fund units or a combination of the two. Awards will be deferred for a number of years, typically three years and may be subject to performance conditions. Vesting of awards is determined at the end of the deferral period. Consideration will be given as to whether performance adjustment of the award is appropriate – including the reduction or cancellation of the award made to an individual to reflect risk outcomes, including failure in risk management and misconduct.

RIVER GLOBAL INVESTORS LLP

Table 2 – Total amount of remuneration awarded to MRTs and all staff

	Number of staff	Fixed Remuneration	Variable Remuneration	Aggregated Remuneration
Senior Management	9	£1,015,141	£723,776	£1,738,917
Other MRTs	12	£1,703,608	£1,129,279	£2,832,887
Other Staff		£3,473,345	£1,443,388	£4,916,733
Total		£6,192,093	£3,296,443	£9,488,536

No guaranteed variable remuneration or severance payments were made to senior management or material risk takers during the year.

RGI FUND MANAGEMENT LIMITED

Table 3 – Total amount of remuneration awarded to MRTs and all staff

	Number of staff	Fixed Remuneration	Variable Remuneration	Aggregated Remuneration
Senior Management	8	£401,067	£501,875	£902,950
Other MRTs	6	£81,617	-	£81,623
Other Staff		£403,390	£16,375	£419,778
Total		£886,074	£518,250	£1,404,351

No guaranteed variable remuneration or severance payments were made to senior management or material risk takers during the year.

Table 4 – Own Funds and Own Funds Requirement (In Thousands)

Own funds consist of Common Equity Tier 1 capital, comprising fully paid ordinary shares issued by the firm and retained earnings. The ordinary shares are perpetual, carry voting rights, and rank pari passu with all other ordinary shares. They are the most subordinated instruments of the firm and fully absorb losses on a going-concern basis. The firm has not issued any Additional Tier 1 or Tier 2 capital instruments.

COMPONENT	River Global Investors LLP	RGI Fund Management Limited	MAIN FEATURES
OWN FUNDS	4,484	3,563	CAPITAL INSTRUMENT
TIER 1 CAPITAL	4,484	3,563	CAPITAL INSTRUMENT
COMMON EQUITY TIER 1 CAPITAL	4,484	3,563	CAPITAL INSTRUMENT
FULLY PAID-UP CAPITAL INSTRUMENTS	2,165	24	
OTHER RESERVEVES	2,319	329	
RETAINED EARNINGS	-	3,212	
CET1: OTHER CAPITAL ELEMENTS, DEDUCTIONS AND ADJUSTMENTS	-	(2)	

	OWN FUNDS REQUIREMENT <i>Higher of:</i>	River Global Investors LLP	RGI Fund Management Limited
PERMANENT MINIMUM REQUIREMENTS		75	75
FIXED OVERHEAD REQUIREMENT		1,307	783
K-AUM		355	-
K-DTF		-	-
K-FACTOR REQUIREMENT		355	-
OWN FUNDS REQUIREMENT		2,084	1,458

Table 5 – Reconciliation of regulatory own funds to balance sheet in the audited financial statements (In Thousands)

COMPONENT	River Global Investors LLP		RGI Fund Management Limited	
	Balance sheet	Cross-reference to template OF1	Balance sheet	Cross-reference to template OF1
FIXED ASSETS	-	-	67	Page 12
TRADE AND OTHER RECEIVABLES	3,020	Page 11	2,963	Page 12
CASH AND CASH EQUIVALENTS	3,685	Page 11	4,043	Page 12
TOTAL ASSETS	6,705	Page 11	7,073	Page 12
TRADE AND OTHER PAYABLES	(1,764)	Page 11	(2,574)	Page 12
AMOUNTS PAYABLE TO MEMBERS (CL)	(330)	Page 11	-	
AMOUNTS PAYABLE TO MEMBERS (NCL)	(127)	Page 11	-	
TOTAL LIABILITIES	(2,221)	Page 11	(2,574)	Page 12
SHAREHOLDERS/MEMBERS EQUITY	4,484	Page 11	4,499	Page 12