



John Street Capital Limited

MIFIDPRU 8 Public Disclosures

For the year ended 31 March 2025

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1. Overview

1.1 Introduction and Scope

John Street Capital Limited (the "Firm" or "JSCL") is authorised and regulated by the FCA (FRN: 912506) and is a "MIFIDPRU Investment Firm" for the purpose of the rules in the Prudential sourcebook for MiFID Investment Firms ("MIFIDPRU"). As a non-Small and Non-Interconnected (non-SNI) firm, the Firm is required to make public disclosures relating to its:

- Corporate governance arrangements.
- Risk management objectives and policies.
- Own funds.
- Own funds requirements.
- Remuneration policy and practices.

The Firm is part of a MiFIDPRU consolidation group with John Street Capital Associates Limited ("JSCAL"), its immediate UK parent. These disclosures are made on both a solo and consolidated group basis. The Firm has chosen not to apply the Group Capital Test; while it would qualify, there is no capital or liquidity benefit in doing so. Details of the entities comprising the Group are set out in the Appendix.

1.2 Basis of Disclosure

This disclosure is made as at 31 March 2025, the Firm's accounting reference date. It does not reflect changes in the structure or composition of the management body subsequent to that date; any such changes will be reflected in the next iteration of this disclosure.

2. Corporate Governance (MIFIDPRU 8.3)

2.1 Overview

The Firm's governance arrangements are co-ordinated at group level through the Boards of the holding companies. The Board of Directors of John Street Capital Limited (the "Board") is the management body for JCSL and is responsible for the overall strategy, risk oversight and financial adequacy of the Firm.

The Board comprises five directors. Every Board meeting has at least one director present who is also a director and beneficial owner of the ultimate parent company, ensuring strong alignment between the interests of the Firm, its investors and its owners.

The Firm has fewer than ten employees and operates from a single open-plan office, which fosters a culture of transparency and accountability.

2.2 Senior Management Oversight

The Board meets at least quarterly to oversee the effectiveness of the Firm's strategy, deal with reserved matters and review and approve the ICARA and statutory accounts.

The Firm avails of the exemption from establishing formal Remuneration and Nomination Committees under MIFIDPRU 7.1.4R. The Board oversees remuneration and nominations.

Delegation to day-to-day management is evidenced through responsibility statements, reporting lines and the FCA's Senior Managers and Certification Regime (SMCR). Risk and compliance oversight (second line) is provided by the Compliance Officer, Risk Committee and an external

consultant. Third-line independent assurance is provided by the same external consultant through periodic compliance reviews reported directly to the Board.

2.3 Directorships

The number of directorships held by each member of the Board is set out below. In accordance with MIFIDPRU 8.3.2R, this excludes directorships held in organisations that do not pursue predominantly commercial objectives and directorships held within the same group.

Member	Title	Directorships
Robert Pettit	Director	0
Johannes Hoff	Director / Research and Trading	0
Kavin Vijayakumar	Director	0
Samina Thind	Director / SMF 16 & SMF 17	0
Judith Nechvatal	Director / Finance	0

2.5 Diversity

The Firm is privately held and is not obligated to publish a diversity and inclusion statement. However, the Firm is committed to recruiting the best candidates regardless of gender, ethnicity, sexual orientation or other characteristics. The Board currently represents a broad mix of gender, ethnicity, age and professional skills.

3. Risk Management Objectives and Policies (MIFIDPRU 8.2)

3.1 Risk Appetite

The Board, in line with the parent group, has adopted a low overall appetite for risk in business operations and encourages all staff to identify, escalate and minimise risks wherever possible. The Firm has a conservative approach to tax and regulatory risk. Investment risk is managed by the Chief Investment Officer and Risk Committee within the strategies operated by the Firm, each managed to defined tolerated volatility parameters. The Firm's Risk Management Policy expands on the risk management framework and risk management measures it has in place to comply with its obligations under FCA rules.

3.2 Business Strategy

The Firm is an investment manager providing discretionary portfolio management and advisory services to collective investment schemes (AIFs/funds) and separately managed accounts ("SMAs"). The Firm's investment strategies are systematic, quantitative strategies applied to regulated futures markets across a broad range of asset classes globally.

The Firm's clients are its funds and the owners of SMAs. Investors in the funds are predominantly institutional and wholesale professional clients. SMA clients are professional clients, including financial institutions.

3.3 Harms Associated with the Business Strategy

The material potential harms to the Firm's operations have been assessed as part of the Key Risk Assessment and ICARA process. These are summarised below:

Harm to Clients

The Firm considers operational risk associated with trade errors, investment mandate breaches, gearing errors, algorithm errors and misselling/misrepresentation to be the most relevant harms to clients. No investor is liable for the loss of more than their original investment; frequent liquidity stress testing reduces the risk of gating. Rigorous algorithm testing and human oversight of the trading system mitigate operational risk.

Harm to Markets

The Firm's investment activities are conducted in deep, liquid regulated futures markets. Market distortion risk is assessed as limited given the position sizes relative to market liquidity. The risk is mitigated by extensive algorithm stress-testing under simulated market conditions, including the availability of a kill switch on the execution algorithm.

Harm to the Firm

Material operational risk events (such as fines, trading errors or a collapse in revenue), cyber-security incidents, technology failures and fraudulent payments are considered the principal risks to the Firm. These are mitigated by a robust control environment, immutable off-site data back-ups, annual penetration testing and segregation of duties.

3.4 Risk Management Strategy

The Firm has implemented a risk management framework proportionate to its size and complexity. Risk management responsibilities are as follows:

- Compliance and MLRO (SMF 16 and SMF 17) with support from external consultants, provides independent oversight of the investment management business;
- Portfolio risk is the responsibility of the Chief Investment Officer and Risk Committee independent of the compliance function, supported by the monthly Risk Committee;
- The Risk Committee oversees the Firm's Key Risk Register, internal controls, counterparty risk management and ICARA process; and
- External consultants provide third-line independent assurance through periodic compliance reviews reported directly to the Board.

The Firm maintains a Conflicts of Interest Register, alongside associated conflict management tools including personal account dealing controls, gift and hospitality policies, allocation and aggregation policies, and various Financial Crime Policies.

3.5 Liquidity Risk

The Firm's cash position is closely monitored. The Chief Operating Officer reviews the liquidity position at least weekly and formally reports to the Risk Committee monthly. The Firm maintains liquid assets significantly in excess of its Basic Liquid Assets Requirement and its wind-down trigger. All capital is held in cash or near-cash instruments, ensuring virtually instant access to funds in the event of an unexpected liquidity requirement.

3.6 Concentration Risk

Concentration risk is mitigated by regular due diligence on the banks at which the Firm holds its reserves (capital spread across three institutions), a diversified, predominantly institutional investor base, expanding key headcount and cross-training to reduce key-person dependency.

4. Own Funds (MIFIDPRU 8.4)

The Firm's Own Funds of GBP 562k consist exclusively of Common Equity Tier 1 (CET1) capital, comprising paid-up share capital and retained earnings, held predominantly as liquid cash. There are no Tier 1 or Tier 2 capital instruments, no deductions (other than those set out below) and no borrowings.

The main features of the capital instruments are: 562,002 ordinary shares of £1 each, fully paid up.

The Group's parent entity, John Street Capital Associates Limited (JSCAL), holds sufficient capital to provide significant additional capacity to support the Firm by way of further capital injections if required.

5. Own Funds Requirements (MIFIDPRU 8.5)

5.1 Own Funds Requirement

As a non-SNI MiFIDPRU investment firm, the Firm's own funds requirement is the highest of:

- the Permanent Minimum Requirement (PMR);
- the Fixed Overhead Requirement (FOR); and
- the K-Factor Requirements.

Requirement	JSCL (GBP '000)
Permanent Minimum Requirement (PMR)	75
Fixed Overhead Requirement (FOR)	494
K-Factor Requirement (K-AUM + K-DTF)	404
Winddown Requirements	900
AIFMD Requirement	107
Overall Financial Adequacy Rule	900

The only applicable K-Factors are K-AUM (arising from assets under management using the Firm's MiFID permission following the transfer of AIFM responsibilities to the Swiss parent) and K-DTF. K-ASA and K-CMH are not applicable as the Firm controls but does not hold client money or assets. K-COH, K-NPR, K-TCD and K-CMG do not apply given the Firm's business model.

The Firm's Own Funds Requirement is the Fixed Overhead Requirement.

5.2 Overall Financial Adequacy Rule

As part of its ICARA process, the Firm has assessed the adequacy of its own funds in accordance with the overall financial adequacy rule in MIFIDPRU 7.4.7R.

The baseline for regulatory capital is the "Own Funds Requirement" which is the Fixed Overhead Requirement.

The Group has also undertaken an assessment of any additional own funds necessary to cover potential material harms and to ensure that it can wind-down in an orderly manner to determine its own funds threshold requirement. The ICARA also includes stress testing and scenario planning on own funds and liquid assets.

The ICARA concludes that the Group and JSCL have sufficient capital reserves both in respect of own funds and liquid assets exceeding its regulatory capital obligations. The ICARA is reviewed and approved by the Board on an annual basis.

5.3 Liquidity Threshold Requirement

The Firm carries liquid assets significantly in excess of the amount required to fund an orderly wind-down. The Basic Liquid Assets Requirement (one third of the FOR) and the wind-down trigger are both monitored monthly by the Chief Operating Officer and reported to the Risk Committee.

6. Remuneration Policy and Practices (MIFIDPRU 8.6)

6.1 Remuneration Policy

The Firm has implemented a Remuneration Policy designed to meet its obligations under SYSC 19G (the MIFIDPRU Remuneration Code).

The Remuneration Policy aims to:

- Set remuneration levels that incentivise employees to support the Firm's business strategy, long-term interests and risk profile;
- Avoid conflicts of interest and encourage responsible, risk-aware conduct;
- Ensure that fixed remuneration represents a sufficiently high proportion of total remuneration to allow for a fully flexible approach to variable remuneration, including the possibility of paying no variable component; and
- Ensure no individual determines their own compensation.

All remuneration is paid directly to employees. The Firm does not facilitate, and is not aware of, the use of personal hedging strategies by any employee.

6.2 Decision Making Process

As a small, owner-managed firm, it would be disproportionate to establish a formal Remuneration Committee within the meaning of SYSC. However, it does have a Committee which (and with approval from the Board) determines fixed and variable remuneration awards for all staff following the annual review of the Firm's financial performance. The Committee/Board may seek external advice from the Firm's compliance consultants or external counsel.

6.3 Components of Compensation

Fixed Remuneration

All staff receive an annual base salary. Fixed remuneration is set at market rates regardless of gender or ethnicity.

Variable Remuneration

Discretionary bonus awards are available where: (a) individual performance merits payment; and (b) the financial health of the Firm can support the payment without sustaining impairment. The Firm retains the right to claw back variable remuneration earned as a result of non-compliant or unsanctioned risk behaviours.

Where a member of staff holds units in funds managed by the Firm, they receive variable reward in the growth of those assets as an investor. Staff are encouraged to hold fund units to align their long-term interests with those of investors; redemption requires specific approval and staff exits should never precede investor exits.

Control Functions

The holders of SMF 16, SMF 17 and the Risk Management function receive variable remuneration based on success in achieving control-function related outcomes. A proportion of each director's variable remuneration is also linked to the profitability of the Firm and achieving broader commercial outcomes.

Exceptional Government Intervention

The Firm has not been subject to any form of exceptional government intervention.

6.4 Risk Adjustment

The Board may reduce, forfeit or claw back variable remuneration in response to risk-related trigger events, consistent with the Firm's Remuneration Policy.

6.5 Performance Assessment

Staff performance is reviewed annually (also linked to the FCA Certification process for relevant staff). Reviews include feedback from the Risk and Compliance function on non-financial aspects of individual performance.

6.6 Material Risk Takers

Material Risk Takers are defined as:

- Executive Directors;
- Senior Managers under the Senior Manager and Certification Regime; and
- Other senior staff whose professional activities could have a material impact on the Firm's risk profile.

There are five identified MRTs as at 31 March 2025, all categorised as senior management.

Remuneration Category	Year ended 31 Mar 2025	Number of Staff
Total remuneration — all staff	GBP 3m	9
Senior management / MRTs (directors)	Disclosed in annual accounts	5

Detailed remuneration information is disclosed in the Firm's statutory annual accounts in accordance with the Companies Act 2006. The Firm believes that disaggregation of remuneration into further sub-categories would risk disclosing information attributable to identifiable individuals; accordingly, the Firm relies on the exemption in MIFIDPRU 8.6.8R(7)(b) for the additional split.

There was no guaranteed variable remuneration, sign-on bonuses or severance payments awarded to MRTs during the period.

Appendix 1: Group Entities

Entity	Place of Incorporation	Type	In Consolidation?
JSC Holding AG (JSCH)	Switzerland	Ultimate holding company	No
John Street Capital Management Limited (JSCML)	Cayman Islands	Service provider to John Street funds	No
John Street Capital Associates Limited (JSCAL)	United Kingdom	UK Mixed Activity Holding Company (parent of JSCL)	Yes — parent
John Street Capital Limited (JSCL)	United Kingdom	MiFIDPRU Investment Firm (FCA authorised)	Yes — solo