BAIN CAPITAL CREDIT, LTD.

MIFIDPRU 8 PUBLIC DISCLOSURE STATEMENT

YEAR ENDING 31 DECEMBER 2022

1. INTRODUCTION

1.1 Purpose

Bain Capital Credit, Ltd. (FRN 441896) (the "**Firm**") is authorised and regulated by the Financial Conduct Authority (the "**FCA**"). The Firm is a direct subsidiary of Bain Capital Credit (Europe) Holdings, L.P., an affiliate of Bain Capital, L.P. ("**Bain Capital**").

This document (the "**Disclosure Statement**") sets out the information the Firm is required to disclose annually under chapter 8 of the MIFIDPRU Sourcebook in the FCA Handbook of Rules and Guidance. All information is as at the date on page 1 unless otherwise indicated.

1.2 Scope

The information in this Disclosure Statement relates to the Firm on an individual basis, i.e. it does not concern any other entities in the Group.

Unless otherwise noted, the information contained in this Disclosure Statement has not been audited by the Firm’s external auditors and does not constitute any form of financial statement and should not be relied upon in making any judgement on the Firm.

2. GOVERNANCE ARRANGEMENTS

2.1 Role of the board of directors (the "Board")

The Firm is governed by its Board. The Board oversees and is accountable for the implementation of governance arrangements that ensure effective and prudent management of the Firm.

The Firm seeks to achieve this through several means, including:

- the reporting of management information on risks the Firm is or might be exposed to; and
- implementation and operation of policies and procedures, including in particular the Firm's conflicts of interest policy, policies on personal account dealing and market conduct, and the other parts of its compliance manual.

2.2 Composition of the Board

The Firm's directors do not hold any additional UK directorships.

2.3 Diversity of the Governing Body

The Firm is committed to promoting diversity and equal opportunities for staff throughout the Firm. Please refer to the Bain Capital website for further information concerning its approach to diversity, equity and inclusion. The Firm makes appointments based on merit against objective criteria, and with regard to the individual's knowledge, skills and experience.

2.4 Risk governance

The Firm has established risk management policies in relation to the operational risks facing the business as well as those associated with the Firm's activities. The Board is ultimately responsible for the Firm's overall risk management and for maintaining an appropriate internal control framework. The Firm is not required to maintain a Risk Committee.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES

3.1 Potential for harm associated with the Firm's business strategy

The Firm considers that the potential for harm associated with its business strategy is low. Notably, the Firm does not engage in proprietary trading, underwriting, clearing or settlement activities or provide custody services or services to retail clients.

The Firm's business strategy reflects its low risk appetite towards conduct risk; prudential risk; reputational risk; legal, compliance and regulatory risk; financial crime risk; data and cyber security risk; and sustainability risk.

The Firm is remunerated by its clients on an arm's length, cost-plus basis. These fees are therefore a stable and predictable source of income.

3.2 Strategies and processes used to manage risks addressed by own funds and liquid assets requirements

Basic Own Funds Requirement and Basic Liquid Assets Requirement

The Firm is subject to a Basic Own Funds Requirement and a Basic Liquid Assets Requirement.

The Firm's Basic Own Funds Requirement is the higher of (i) a permanent minimum own funds requirement, (ii) one quarter of its preceding year's fixed overheads (its fixed overheads requirement, or "**FOR**") and (iii) a 'K-factor' requirement ("**KFR**"), each as calculated under applicable regulatory requirements.

Details of the Firm's capital requirements are set out at Schedules 1 and 2.

Overall Financial Adequacy Rule

The Firm must at all times comply with the overall financial adequacy rule (the "**OFAR**"). This requirement, which supplements the Firm's Basic Own Funds Requirement and Basic Liquid Assets Requirement, requires the Firm to holds sufficient own funds and liquid assets to ensure it can remain viable throughout the economic cycle and address any potential harm the Firm's ongoing activities might cause to its clients and counterparties, the markets in which it operates and the Firm itself.

The Internal Capital Adequacy and Risk Assessment

The Firm uses an internal capital adequacy and risk assessment ("**ICARA**") process to identify whether it is complying with its OFAR and, if it is not, to identify what steps it should take to remedy this. The focus of the ICARA process is on identifying and managing risks that may result in material harms. In mitigating the risks posed by potential material harms, the Firm has therefore formed a judgement about what is appropriate and proportionate in its particular circumstances, informed by its risk appetite. The Firm's ICARA document is updated and approved annually (or more frequently, as required) by the Firm's Finance, Legal and Compliance teams, with input from external advisers as required.

3.3 Concentration risk

The Firm has identified the following concentration risks.

Earnings

This is the risk that the Firm has a significant amount of its revenue concentrated in a small number of clients, leaving it exposed if it loses one or more of those clients. Whilst this technically creates a concentration risk, the Firm considers that any downside of this is more than offset by the stability of revenue that the arrangement creates.

Cash deposits

This is the risk that the Firm's cash deposits are held with a narrow range of banks, leaving it exposed if one or more of them becomes insolvent. The Firm's banking relationships are with institution(s) that have a satisfactory credit rating, which it considers reduces its cash deposit risk to an acceptable level.

4. REMUNERATION

4.1 Remuneration governance

The Board has overall responsibility for the Firm's remuneration policies and procedures, which are reviewed annually.

4.2 Material Risk Takers

The Firm's material risk takers ("**MRTs**") are those individuals whose professional activities have a material impact on the Firm's risk profile. The Firm's MRTs comprise:

- members of the Board;
- other members of senior management;
- the Firm's Compliance Officer and Money Laundering Reporting Officer;
- members of the investment team at Partner level; and
- the Firm's trading staff.

During the course of the year, the Firm identified 17 MRTs in total.

4.3 Remuneration structure

The Firm's remuneration arrangements seek to ensure effective risk alignment between the Firm's staff, the Firm itself and the Firm's clients.

The Firm awards both fixed remuneration and variable remuneration. Remuneration is set in light of the relevant role, the skills and expertise of the individual, market conditions and the overall competitiveness of the remuneration package concerned.

Variable remuneration is based on a combination of factors. These factors include financial and non-financial criteria including the performance of the individual, the Firm and Bain Capital; the performance of a business unit or team; the performance of the Firm; and the overall performance of Bain Capital.

The Firm may offer guaranteed variable remuneration to MRTs joining the Firm in certain permitted circumstances.

The Firm has obtained legal advice in relation to the requirements in SYSC 19G but does not use external consultants in the development of its remuneration policies and practices.

4.4 Risk adjustment

The Firm's variable remuneration arrangements are fully discretionary, and the Firm is able to apply in-year adjustments to reduce (including to zero) the amount of variable remuneration that would otherwise have been paid to any member of staff (including MRTs). Variable remuneration awarded to MRTs is potentially subject to additional adjustments. The Firm maintains policies and procedures governing its approach to risk adjustments.

4.5 Quantitative disclosures

Owing to the number of MRTs, the Firm considers that the disclosure of their aggregate quantitative information on remuneration would be inconsistent with Bain Capital's obligations under relevant data privacy legislation.

SCHEDULE 1 OWN FUNDS[1]

Composition of regulatory own funds			
	Item	**Amount (GBP thousands)**	**Source based on reference numbers/ letters of the balance sheet in the audited financial statements**
1	**OWN FUNDS**	50,278	Called up share capital, profit and loss account
2	**TIER 1 CAPITAL**	50,278	Called up share capital, profit and loss account
3	**COMMON EQUITY TIER 1 CAPITAL**	50,278	Called up share capital, profit and loss account
4	Fully paid up capital instruments	34,675	Called up share capital
5	Share premium	0	N/A
6	Retained earnings	0	N/A
7	Accumulated other comprehensive income	0	N/A
8	Other reserves	42,715	Profit and loss account
9	Adjustments to CET1 due to prudential filters	0	N/A
10	Other funds	0	N/A
11	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	(27,112)	Profit and loss account
19	CET1: Other capital elements, deductions and adjustments	0	N/A
20	**ADDITIONAL TIER 1 CAPITAL**	0	N/A
21	Fully paid up, directly issued capital instruments	0	N/A

[1] Calculated on the basis of the Firm's audited annual accounts for the year ending 2022.

22	Share premium	0	N/A
23	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	0	N/A
24	Additional Tier 1: Other capital elements, deductions and adjustments	0	N/A
25	**TIER 2 CAPITAL**	0	N/A
26	Fully paid up, directly issued capital instruments	0	N/A
27	Share premium	0	N/A
28	(-) TOTAL DEDUCTIONS FROM TIER 2	0	N/A
29	Tier 2: Other capital elements, deductions and adjustments	0	N/A

Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements				
Flexible template - rows to be reported in line with the balance sheet included in the audited financial statements of the investment firm. *Columns should be kept fixed, unless the investment firm has the same accounting and regulatory scope of consolidation, in which case the volumes should be entered in column (a) only.* *Figures should be given in GBP thousands unless noted otherwise.*				
		a	b	c
		Balance sheet as in published/audited financial statements	**Under regulatory scope of consolidation**	**Cross-reference to template OF1**
		As at period end	**As at period end**	
Assets - *Breakdown by asset classes according to the balance sheet in the audited financial statements*				
1	Tangible assets	12	N/A	N/A
2	Financial assets at fair value through profit or loss	51,548	N/A	N/A
3	Debtors	37,973	N/A	N/A
4	Cash	9,888	N/A	N/A
xxx	**Total Assets**	99,421	N/A	N/A
Liabilities - *Breakdown by liability classes according to the balance sheet in the audited financial statements*				
1	Creditors: amounts falling due within one year	(7,347)	N/A	N/A
2	Creditors: amounts falling due after more than one year	(41,796)	N/A	N/A
xxx	**Total Liabilities**	(49,143)	N/A	N/A
Shareholders' Equity				
1	Called up share capital	34,675	N/A	1, 2, 3, 4
2	Profit and loss account	15,603	N/A	8, 11

xxx	**Total Shareholders' equity**	50,278	N/A	N/A

Own funds: main features of own instruments issued by the firm
• Ordinary shares • £34,674,603 recognised in regulatory capital • Nominal value £1 per share • Originally issued 19 July 2005 • Perpetual

SCHEDULE 2 BASIC OWN FUNDS REQUIREMENTS

	Category of requirement	Amount (GBP thousands)
1	**PERMANENT MINIMUM REQUIREMENT**	75
2	**FIXED OVERHEADS REQUIREMENT**[2]	4,709
3	**K-FACTOR REQUIREMENT**	743
A	Sum of the Firm's: • K-AUM (assets under management); • K-CMH (client money held); and • K-ASA (client assets safeguarded and administered) requirements	740
B	Sum of the Firm's: • K-COH (client orders handled); and • K-DTF (daily trading flow) requirements	3
C	Sum of the Firm's: • K-NPR (net position risk); • K-CMG (clearing margin given); • K-TCD (trading counterparty default); and • K-CON (concentration risk) requirements	0
	BASIC OWN FUNDS REQUIREMENT (HIGHEST OF ROWS 1-3)	4,709

[2] Calculated on the basis of the Firm's audited annual accounts for the year ending 2022.