

→ Governance

Good corporate governance is a fundamental component of the Company's activities and supports long-term sustainable value and responsible growth for its shareholders.

- 46 Board of Directors
 - 48 Directors' Report
 - 54 Investment Policy
 - 55 Statement of Directors' responsibilities
 - 56 Corporate Governance Report
 - 63 Audit Committee Report
 - 65 Risk Committee Report
 - 66 Principal risks and uncertainties
 - 68 Nomination Committee Report
 - 69 Management Engagement Committee Report
 - 70 Governance, Regulatory and Compliance Committee Report
 - 71 Remuneration Committee Report
 - 72 Directors' Remuneration Report
 - 73 Alternative Investment Fund Managers' Directive
 - 74 Shareholder information
 - 75 Why invest in listed private equity?
-



Diversity and inclusion

OCI recognises the benefits that diversity can bring to its Board, and places great importance on ensuring that Board membership reflects this. The Board believes that a wide range of experience, age, background, perspectives, skills and knowledge allows Directors to share varying perspectives and insights, helping to create a better environment for effective decision-making.

The Board supports the Investment Adviser, Oakley Capital's endeavours in relation to diversity and inclusion. Additionally, the Board recognises the importance of leading by example and encouraging Board diversity as it relates not only to Oakley, but also to the composition of its portfolio company boards and leadership teams.

BOARD OF DIRECTORS

An independent Board well-positioned to support OCl as it grows.



Caroline Foulger
Chair

Appointed to the Company's Board in June 2016 (and as Chair in September 2018), Caroline has been an independent Non-Executive Director in the financial services industry since 2013. Caroline was previously a partner with PwC for 12 years, primarily leading the insurance practice in Bermuda and servicing listed clients, with 25 years' experience in public accounting. Caroline is a Fellow of the Institute of Chartered Accountants in England & Wales, a member of CPA Bermuda and a Member of the Institute of Directors. Caroline is a resident of Bermuda. Caroline's leadership skills continue to impart a culture of positive change to service providers, the Board and its Committees.

Current Directorships of publicly listed entities

- Hiscox Limited
- Atlas Arteria Holdings Limited
- Ocean Wilsons Holdings Limited



Richard Lightowler
Senior Independent Director

Appointed to the Company's Board in December 2019, Richard has 25 years' experience in public accounting, previously a Partner with KPMG in Bermuda. He was head of the KPMG Insurance Group in Bermuda for almost 14 years until leaving the firm in 2016, a member of the firm's Global Insurance Leadership Team and Global Lead Partner for large international insurance groups listed on the New York and London Stock Exchanges. Richard is a resident of Bermuda and is a Chartered Accountant in England & Wales. Richard has significant regulatory experience and led KPMG's relationship with the Bermuda Monetary Authority ('BMA'). Richard brings with him a wealth of knowledge in financial services, expertise in best practice corporate governance and significant transactional experience.

Current Directorships of publicly listed entities

- Hansa Investment Company Limited
- Aspen Insurance Holdings Limited



Fiona Beck
Non-Executive Director

Non-Executive Director appointed to the Company's Board in September 2020, Fiona has over 20 years' leadership experience in listed and unlisted companies within the technology, telecoms, infrastructure and fintech sectors. Previously, she was CEO of Southern Cross Cable Networks for 14 years, a multinational telecommunications company. She holds a Bachelor's degree in Management Studies (Honours), is a Chartered Accountant (Australia and NZ), and is a member of the Institute of Directors (both UK and Australia). Fiona is a resident of Bermuda. Her sector relevant experience in the technology industry, and past leadership positions, provides for unique perspective and insights.

Current Directorships of publicly listed entities

- Atlas Arteria Holdings Limited
- Ocean Wilsons Holdings Limited

BOARD OF DIRECTORS CONTINUED



Peter Dubens

Non-Executive Director

Appointed to the Company's Board in July 2007, Peter is the founder and Managing Partner of the Oakley Capital Group, a privately-owned asset management and advisory group comprising private equity and venture capital operations managing over €4 billion. Peter founded the Oakley Capital Group in 2002 to be a best-of-breed, entrepreneurially-driven UK investment house, creating an ecosystem to support the companies in which Oakley Capital invests, whether they are early-stage companies or established businesses. David Till serves as an alternate Director to Peter.

**Current Directorships
of publicly listed entities**

- Non-Executive Chair of Time Out Group plc



Stewart Porter

Non-Executive Director

Appointed to the Company's Board in September 2018, Stewart has over 40 years' of operational experience, both within private equity and technology businesses, the latter being one of Oakley's three core sectors for investment. Stewart worked as Chief Operating Officer of the Investment Adviser, Oakley Capital Limited, from 2010 until his retirement in 2018. During his career, Stewart has held positions as COO and CFO at Wilkinson Sword and TI Group. He was a founder and CFO of Pipex Communications plc and was instrumental in the development and successful sale of the Pipex Group. Stewart's industry knowledge and in-depth understanding of the Investment Adviser makes him invaluable in providing the Board with insights into the detailed workings of its key service providers.

**Current Directorships
of publicly listed entities**

- None

DIRECTORS' REPORT

Regular contact between Directors and the Oakley Group continued throughout the year.

The Company's registered office and principal place of business is 3rd Floor, Mintflower Place, 8 Par-la-Ville Road, Hamilton HM08, Bermuda.

The Board of Directors

The Board currently comprises the Chair and four other Non-Executive Directors. Laurence Blackall retired from the Board at the Annual General Meeting in May 2020. Craig Bodensstab stepped down from the Board in June 2020, and was replaced by Fiona Beck in September 2020.

All Directors, other than Peter Dubens and Stewart Porter, are considered to be independent. Peter Dubens and David Till (as alternate Director), with a team of investment professionals, are together primarily responsible for performing investment advisory obligations with respect to the Company and the Oakley Funds. Stewart Porter was employed as the COO of the Investment Adviser until mid-2018 and, consistent with UK Corporate Governance Code guidelines, will be considered independent effective July 2021.

The Board met formally 11 times during 2020, including three of four quarterly scheduled meetings being held physically in Bermuda. This increased frequency was driven by enhanced portfolio monitoring updates from the Investment Adviser amidst the COVID-19 pandemic.

Regular contact between Directors and the Oakley Group continued throughout the year as required for the purpose of considering key decisions of the Company.

The Directors are kept fully informed of investment performance and other matters. The Board receives periodic reporting and ad-hoc additional information as required by the Directors from the Administrative Agent, Investment Adviser and other service providers.

The Directors may seek independent professional advice at the expense of the Company to aid their duties. During 2020, this included a review of Oakley Capital Origin Fund documentation and legal due diligence, and an independent third-party Directors' remuneration review.

The rules governing the appointment of Directors to the Board is contained in the Company's bye-laws, located at: <https://oakleycapitalinvestments.com/wp-content/uploads/2020/04/Bye-laws-of-Oakley-Capital-Investments-2020.pdf>

The Company, during the year, adopted a Diversity Policy as it relates to Board composition. This is available at www.oakleycapitalinvestments.com.

Conflicts of interest

The Directors continue to declare on an ongoing basis all conflicts and potential conflicts of interest to the Board, a register of which is considered at Board and Committee meetings. Declaration of Directors' interests is a standing Board agenda item at the outset of each meeting. A conflicted Director is not allowed to take part in the relevant discussion or decision and is not counted when determining whether a meeting is quorate.

Peter Dubens is a shareholder and a Director of a number of the Oakley Group entities and cannot vote on any Board decision relating to these entities.

Each Director's shareholding is outlined as part of the Directors' Remuneration Report, and is considered for fair dealing purposes as a declared interest at the time of, for example, share buybacks.

Investment management and administration

The Company is a self-managed Alternative Investment Fund ('AIF'), and the Board has the ultimate decision to invest (or take any other action) in the Oakley Funds or in any other manner consistent with its Investment Policy. In the ordinary course of business, it makes decisions after reviewing the recommendations provided by the Oakley Group (typically as presented by the Investment Adviser on behalf of the Administrative Agent).

For the avoidance of doubt, the Directors do not make investment decisions on behalf of the Oakley Funds, nor do they have any role or involvement in selecting or implementing transactions by the Oakley Funds or in the management of the Oakley Funds.

Oakley Capital Manager Limited ('OCML') serves as Administrative Agent to the Company. It is incorporated in Bermuda and regulated by the Bermuda Monetary Authority as a licensed Investment Business. The Administrative Agent provides operational assistance and corporate secretarial services to the Board with respect to the Company's business. The Administrative Agent is managed by experienced third-party administrative and operational Executive Directors.

Oakley Capital Limited serves as the Investment Adviser to the Administrative Agent with respect to the Company. It is incorporated in the UK and is authorised and regulated by the Financial Conduct Authority for the provision of investment advice and arranging of investments. The Investment Adviser is primarily responsible for making investment recommendations to the Company along with structuring and negotiating deals for the Oakley Funds.

DIRECTORS' REPORT CONTINUED

The Directors believe these arrangements enhance long-term shareholder value.

The Directors of the Company continue to believe these arrangements create the conditions to enhance long-term shareholder value and, based on the Company's overall objective, to achieve a high level of Company performance. Each year, including in 2020, the three independent Directors formally review the performance of Oakley and OCML.

The Company has appointed Mayflower Management Services (Bermuda) Limited (the 'Administrator') to provide administration services pursuant to an Administration Agreement. It receives an annual administration fee at prevailing commercial rates. The Administrator is responsible for the Company's general administrative requirements such as the calculation of the net asset value and net asset value per share and maintenance of the Company's accounting records.

The Administrative Agent has been appointed pursuant to an operational services agreement (the 'Operational Services Agreement'). The Operational Services Agreement continues for consecutive periods beginning on the date of the last Annual General Meeting at which a continuation vote was put to shareholders (a 'Continuation Meeting') and ending on the date of the next Continuation Meeting.

Ongoing costs

For the period ended 31 December 2020, the Company's ongoing charges were calculated as 2.46% (2019: 2.57%) of NAV.

The calculation is based on ongoing charges expressed as a percentage of the average NAV for the year. Ongoing charges are calculated in accordance with the guidelines issued by the Association of Investment Companies ('AIC'). They comprise recurring costs, including the operating expenses of the Company, operational

services' fees paid to the Administrative Agent, and OCI's share of the management fees paid by the underlying Oakley Funds. The calculation specifically excludes expenses, gains and losses relating to the acquisition or disposal of investments, performance-related fees, and financing charges.

Operational Service Fees

Included in investment related fees are operational and performance fees paid to Oakley Capital Manager Limited. The Administrative Agent has been appointed by the Company to provide operational assistance and services to the Board with respect to the Company's direct investments and generally to administer the assets of the Company, as provided for in the Operational Services Agreement.

Debt and equity direct investments

During 2020 and 2019, the Administrative Agent was paid an operational services fee of 2% per annum of the net asset value of certain of the Company's direct investments. During 2019, the operational services fee was calculated by reference to all of the Company's direct investments. With effect from 1 January 2020, operational services fees relating to direct debt investments were eliminated, so that the operational services fee became payable only by reference to the net asset value of the Company's direct equity investments. With effect from 1 July 2020, no further operational services fees are payable by reference to the Company's current direct equity investments.

Oakley Capital Fund I-III

2% on invested capital since the date of closure of the investment period.

Oakley Capital Fund IV and Oakley Capital Origin Fund

2% on fund commitment during the investment period (ending after the earlier of five years after the final closing date or 75% of commitments having been invested), then 2% on invested capital, stepping down to 1% on invested capital ten years after the final closing date.

Performance fees

The Administrative Agent is paid a performance fee of 20% of profits (after expenses) from the full or partial realisation on disposal of any direct equity investments subject to an 8% preferred return. With effect from 1 July 2020, no performance fees are payable by reference to the Company's current direct equity investments.

Stewardship and delegation of responsibilities

Under the Operational Services Agreement, the Board has delegated to the Administrative Agent substantial authority for carrying out the day-to-day administrative functions of the Company.

The Company exercises its own voting rights on direct equity portfolio investments, which comprise only Time Out Group plc as at the reporting date.

Oakley has a policy of active portfolio management and ensures that significant time and resource is dedicated to every investment, with Oakley executives typically being appointed to portfolio company boards, in order to ensure the implementation and continued application of active, results-orientated corporate governance. OCI receives regular feedback on these activities.

DIRECTORS' REPORT CONTINUED

Oakley has a policy of active portfolio management and ensures that significant time and resource is dedicated to every investment.

Capital Markets Day

The Board holds an annual Capital Markets Day consisting of presentations to shareholders and analysts by senior members of the Oakley Group and management teams from a selection of Oakley Funds' portfolio companies. The event was held digitally in 2020, with presentations focused on the performance of the underlying Oakley Funds' investment portfolio. Directors of the Board attend the Capital Markets Day.

Public reporting

The Company's Annual Report and Accounts, along with the half-year Financial Statements and other RNS releases, are prepared in accordance with applicable regulatory requirements and published on the Company's website.

Share capital and voting rights

As at the date of this report, the Company had:

- 180,599,936 ordinary shares and voting rights in issue; and
- issued share capital of 180,599,936.

The rights attaching to the shares are set out in the bye-laws of the Company. There are no restrictions on the transfer of ordinary shares other than those which may be imposed by law from time to time. There are no special control rights in relation to the Company's shares and the Company is not aware of any agreements between holders of securities that may result in restrictions on the transfer of securities or on voting rights. In accordance with the Market Abuse Regulation and the Company's share dealing code, Board members and certain employees of the Company's service providers are required to seek approval to deal in the Company's shares.

At a general meeting of the Company, every holder of shares who is present in person or by proxy shall, on a poll, have one vote for every

share of which they are the holder. All the rights attached to a treasury share shall be suspended and shall not be exercised by the Company while it holds such treasury shares and, where required by the Act, all treasury shares shall be excluded from the calculation of any percentage or fraction of the share capital or shares of the Company. As at 31 December 2020, the Company did not hold any treasury shares.

Dividend policy and distributions

The Board has adopted a dividend policy which takes into account the forecast profitability and underlying performance of the Company in addition to capital requirements, cash flows and distributable reserves. The Company has experienced strong NAV growth in 2020 despite the challenges of the COVID-19 pandemic, thanks to the resilient nature of the Oakley Funds' portfolio companies' business models.

The Company declared a final dividend of 2.25 pence per share in respect of the year ended 31 December 2019, which was paid in April 2020. An interim dividend of 2.25 pence per share was paid by the Company in respect of the six months to 30 June 2020, in October 2020.

Share issuance and buy-backs

By a special resolution passed at the May 2020 AGM, the Directors were authorised to issue shares and/or sell shares from treasury for cash on a non-pre-emptive basis provided that such

authority shall be limited to the issue and/or sale of shares of up to 5% of the issued share capital as at the date of that meeting.

Unless specifically authorised by shareholders, no issuance of ordinary shares on a non-pre-emptive basis will be made at a price less than the prevailing NAV per ordinary share at the time of issue. No such issuances are currently expected.

The Company conducts share buy-backs in the market with a view to addressing any imbalance between the supply of and demand for its shares, to increase the NAV per ordinary shares and/or to assist in maintaining a narrow discount to net asset value per ordinary share in relation to the price at which ordinary shares may be trading. Such purchases of ordinary shares will only be made for cash at prices below the prevailing NAV per ordinary share. Any repurchased shares will be cancelled in full. Directors' powers of share issuance and/or buy-back will only be exercised if thought to be in the best interests of shareholders as a whole.

During 2020, the Company did not issue any shares. Five share buy-backs were completed during the year, pursuant to which 18 million shares, or 9.1% of the total shares in issue as at the beginning of 2020, were cancelled at a weighted average price of 230.0 pence, with a combined estimated positive impact on NAV per share of 12.6 pence.

Execution date/status	Number of shares	Buy-back price (pence)	Buy-back price discount to NAV (%)	NAV per share impact estimate (pence)
18 March 2020	3,000,000	1.59	54	2.9
18 June 2020	1,340,000	2.05	43	1.1
29 July 2020	3,660,000	2.25	37	2.5
2 October 2020	3,053,000	2.525	31	1.8
3 December 2020	6,947,000	2.575	30	4.2
Total weighted average to date	18,000,000	2.30	36	12.6

DIRECTORS' REPORT CONTINUED

The Board is committed to understanding stakeholders' views.

Section 172 and stakeholder reporting

The Board is committed to understanding our stakeholders' views and considering their interests in Board discussions and decision-making. This includes having regard to the likely consequences of any decision in the long term, the need to foster the Company's business relationships with service providers, the impact of the Company's operations on the community and environment, and maintaining a reputation for high standards of business conduct. Through this engagement, the Board is able to understand better, their views and consider these views in their discussions and decision-making.

Shareholder communications

The support of our shareholders is critical to the continued success of the business and the achievement of our objectives. We believe our shareholders are interested in the financial performance of the Company, its ability to continue in operation for the foreseeable future and the maintenance of high standards of conduct and corporate governance.

The Board places a high degree of importance on engagement with shareholders, endeavouring to communicate clearly and regularly with existing and potential shareholders.

During the year the Board has engaged with shareholders in the following ways:

- **Annual General Meeting:** An AGM is held each year, where a separate resolution is proposed on each substantially separate issue along with the presentation of the Annual Report and Accounts.
- **Capital Markets Day:** Each year the Board holds an event consisting of presentations to shareholders and analysts by senior members of the Oakley Group.

- **Shareholder engagement:** The Board maintains awareness of shareholder views by means of regular updates from its Investor Relations team and meetings with shareholders.
- **Website:** The Company's Annual Report and Accounts, along with the half-year Financial Statements and other RNS releases, are prepared in accordance with applicable regulatory requirements and published on the Company's website.

During the year, some of the topics discussed with shareholders were: portfolio company performance including the impact of COVID-19; investment strategy and response to COVID-19; future fund investment opportunities; deal activity; and retail shareholder access via trading platforms.

The Oakley Group also briefs the Board on a regular basis with regard to feedback received from analysts and investors. Any significant commentary raised by shareholders in relation to the Company is communicated to the Board. The Company's Broker and Financial Adviser ('Liberum Capital Limited') also regularly reports to the Board at meetings. In addition, research reports published by financial institutions on the Company are circulated to the Board.

The Company reports formally to shareholders twice a year, with an emphasis on net asset value performance and updates. In addition, current information is provided to shareholders on an ongoing basis through the Company's website.

Corporate and social responsibility

The Board considers the ongoing interests of shareholders and has open and regular dialogue with the Investment Adviser on the governance of the portfolio companies.

The Company adopted an ESG Policy in March 2020; refer to pages 41 to 43.

Service providers and significant agreements

The following agreements and service providers are considered significant to the Company:

- Oakley Capital Manager Limited ("Administrative Agent") under the Operational Services Agreement.
- Oakley Capital Limited ("Oakley") as Investment Adviser to the Administrative Agent, under the terms of the Investment Advisory Agreement.
- Mayflower Management Services (Bermuda) Limited under the Administration Agreement.
- KPMG Audit Limited as appointed external Auditor.
- Liberum Capital Limited as Broker and Financial Adviser.

The Board maintains regular contact and dialogue with its key service providers, through formal meetings and calls, as well as informal communications throughout the year. The Management Engagement Committee's role is to review on a regular basis the appointment, remuneration and performance of the key service providers to the Company, with a key focus on the Investment Adviser and Administrative Agent.

As part of this role, the Committee encourages open dialogue and engagement with the service providers.

DIRECTORS' REPORT CONTINUED

The support of our shareholders is critical to the success of the business and achievement of our objectives.

Substantial shareholdings

As at 31 December 2020, the Company has received the following notifications of interest of 3% or more in the voting rights attached to the Company's ordinary shares:

Shareholder	% voting rights 31 December 2020	% voting rights 31 December 2019
Asset Value Investors	13.7	14.0
OCI Directors	10.2	9.2
Sarasin and Partners	7.3	7.0
City of London Investment Management Company	6.7	4.8
Barwon Investment Partners	5.8	7.2
FIL Investment International	5.4	4.6
Lombard Odier Asset Management	5.4	5.1
Jon Wood and Family	4.4	3.4
Hargreaves Lansdown Stockbrokers	4.1	2.3
Hawksmoor Investment Management	3.4	1.5

Most notably, the aggregate voting rights of the top ten shareholders have also fallen from 70% in 2019 to 66% in 2020.

Part of the Company's rationale for moving its listing to the Specialist Fund Segment in August 2019 was the potential for deeper trading from a broader range of shareholders. The following table outlines the shift in full-year trading volumes and turnover on the Company's shares:

Measure	2020 full year	2019 full year	2018 full year
Average daily trading volume	487,437	570,857	342,453
Total volume traded in the year	123,321,647	146,139,416	86,640,604
Turnover (as % of average issued capital)	68.28	72.13	42.30

The Directors consider the continued elevated trading volume and diversification of the shareholder base as encouraging signs for unlocking future shareholder value in line with NAV growth.

Compensation for loss of office

There are no agreements between the Company and its Directors providing for compensation for loss of office that occurs because of a change of control.

Financial prospects and position

In compliance with Provision 36 of the AIC Code of Corporate Governance (the 'AIC Code'), the Board has assessed the prospects of the Company over a period in excess of the 12 months required under the Going Concern assessment.

We have considered the sustainability and resilience of the Company's business model over the long term, including consideration of the impacts of COVID-19, and have based our assessment of the prospects of the Company on this consideration. This period of assessment of long-term prospects is greater than the period over which the Board has assessed the Company's viability.

The Board considers three years as the most appropriate time period over which to assess the long-term viability of the Company, as required by the AIC Code. This time period has been chosen as a reasonable period over which the Board can reasonably, and with a sufficient degree of likelihood, assess the Company's prospects and over which the existing Oakley Fund commitments will largely be drawn.

The Board has established procedures which provide a reasonable basis to make proper judgments on an ongoing basis as to the principal risks, financial position and prospects of the Company.

An AGM is held each year, where a separate resolution is proposed on each substantially separate issue.

Regular reporting to the Risk Committee of the Board provides for ongoing analysis and monitoring against risk appetite. Strategic considerations of the Board as it relates to financial prospects of the Company include:

- Use of leverage. The Company has to date chosen not to lever its balance sheet.
- Foreign exchange risk hedging. The Company does not hedge its foreign exchange exposure due to the unpredictable timing and quantum of private equity fund capital calls and distributions.
- Cash management – monitoring of cash flow forecasts enabling the Company to meet ongoing commitments to the Funds.
- Commitment to future Oakley Fund contributions based on analyses of liquidity forecasts and investment opportunities
- Utilising, periodically, surplus cash balances to implement share buy-backs for cancellation.

Viability statement

Based upon this assessment, the Directors confirm they have a reasonable expectation that the Company will continue in operation and meet its liabilities as they fall due over the period of three years from the date of this report.

Going concern

After making enquiries and given the nature of the Company and its investments, the Directors, after due consideration, conclude that the Company will be able to continue for the foreseeable future (being a period of 12 months from the date of this report). Furthermore, the Directors are not aware of any material uncertainty regarding the Company's ability to do so.

In reaching this conclusion, the Directors have assessed the nature of the Company's assets and cash flow forecasts and consider that adverse investment performance should not have a material impact on the Company's ability to meet its liabilities as they fall due. Accordingly, they are satisfied that it is appropriate to adopt a going concern basis in preparing these Consolidated Financial Statements.

Disclosure of information to the auditor

Having made enquiries of fellow Directors and key service providers, each of the Directors confirms that:

- to the best of their knowledge and belief, there is no relevant audit information of which the Company's auditor is unaware; and
- they have taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information.

Political donations and expenditure

The Company has made no political donations in the year and has no expectation of doing so in the future.

Annual General Meeting ('AGM')

An AGM is held each year, where a separate resolution is proposed on each substantially separate issue along with the presentation of the Annual Report and Accounts. All proxy votes are counted and, except where a poll is called, the level of proxies lodged for each resolution is announced at the Meeting and is published on the Company's website. The notice of AGM and related papers are sent to shareholders at least 21 working days before the Meeting.

The Chair and the Directors can be contacted through the Company Secretary, Oakley Capital Manager Limited, 3rd Floor, Mintflower Place, 8 Par-la-Ville Road, Hamilton HM08, Bermuda.

In compliance with the bye-laws of the Company, the AGM will be conducted prior to 20 August 2021. Details of the AGM will be notified to shareholders separately to this report.

Events after balance sheet date

Following the year-end, the following events have been noted that impact the Company's look-through balance sheet:

Dividends – on 10 March 2021, the Board of Directors approved a final dividend of 2.25 pence per share in respect of the financial year ended 31 December 2020. This is due to be paid on 15 April 2021 to shareholders registered on or before 26 March 2021. The ex-dividend date is 25 March 2021.

Partial sale – on 7 January 2021, the Oakley Fund II portfolio company, Daisy Group, announced an agreement to sell its stake in its Digital Wholesale Solutions division. OCI's share of proceeds will be c.£22 million following this transaction, which includes the full repayment of OCI's outstanding c.£17 million direct loan to the Daisy Group. The transaction is subject to regulatory approval.

Origin Fund – on 25 January 2021, Oakley announced that the Origin Fund was closed to institutional investors, with an expected final fund size of €455 million. OCI committed a further €24.3 million to the Fund following the year end, taking the total OCI commitment to the Origin Fund to €129.3 million.

Acquisition – on 26 January 2021, Oakley Fund IV agreed to make a minority investment in idealista, the leading online real estate classifieds platform in Southern Europe. OCI's indirect contribution via Fund IV was c.£43 million.

Acquisition – on 25 February, Oakley Fund IV completed its investment in Dexters, one of London's leading independent chartered surveyors and estate agents. OCI's indirect contribution via Fund IV was c.£13 million.

Refinancing – on 1 March 2021, Oakley Fund III completed a refinancing of its investment in Career Partner Group. OCI's share of overall proceeds on a look-through basis was c.£28 million.

On behalf of the Board.

Caroline Foulger

Chair

10 March 2021

INVESTMENT POLICY

The Oakley Funds' investment strategy is to focus primarily on private mid-market, Western European businesses.

The Company seeks to meet its investment objective by investing primarily in the Oakley Funds, in successor funds managed by Oakley Capital Manager Limited ('OCML') and/or the General Partners of the Oakley Funds and/or advised by the Investment Adviser (or their respective affiliates).

Cash resources held by the Company that are not called upon by the Oakley Funds and their successor funds (or other investments) will be invested under treasury guidelines set by the Board. Risk appetite is typically limited to placing such funds in cash deposits or near-cash deposits. The Company is authorised to hedge the foreign exchange exposure of any non-GBP cash deposit or investment.

In connection with certain direct investment opportunities made available alongside the Oakley Funds and any successor funds thereto, the Board has been advised by OCML that, from time to time, OCML or (in the case of Luxembourg-based Funds) the Luxembourg AIFM may invite one or more Limited Partners in the Oakley Funds (and successor funds) including the Company to directly invest alongside the Oakley Funds (and successor funds) on substantially the same terms as such Limited Partnerships. In such event, OCML or the Luxembourg AIFM (or, as applicable, the AIFM of the successor fund) would make available to the Company copies of the due diligence and analysis prepared by OCML or the Investment Adviser and any other third parties in relation to such direct investment opportunities. The Board would then determine whether or not, and to what level, the Company should directly invest.

Investment strategy of the Oakley Funds

The Oakley Funds' investment strategy is to focus primarily on private mid-market Western European businesses, with the objective of delivering long-term capital appreciation within the Oakley Funds. The life of each Oakley Fund is expected to be approximately ten years, which includes a five-year investment period from the date of final closing.

The Oakley Funds primarily focus on equity investments that enable them to secure a controlling position in the target company. The Oakley Funds typically invest in sectors that are growing or where consolidation is taking place, investing both in performing and underperforming companies, supporting buy-and-build strategies, rapid growth, or businesses undergoing significant operational or strategic change. The sectors targeted by the Oakley Funds have included, in particular, technology, consumer and education. However, the Oakley Funds' sector focus is considered flexible through time in order to remain responsive to new or emerging opportunities.

Reinvestment

On any realisation of investments, the Company may reinvest funds in any of the following ways:

- by way of commitment to successor funds, or new funds with successor strategies such as the Origin Fund, in each case managed by OCML, the Luxembourg AIFM and/or advised by the Investment Adviser or their respective affiliates; or

- to a lesser extent, in direct investment opportunities alongside the Oakley Funds and/or successor funds provided by OCML or (in the case of Luxembourg-based Funds) the Luxembourg AIFM, or the AIFM of any successor fund; or
- in cash deposits and cash equivalents.

Borrowing powers of the Company

The Company has the power to borrow money in any manner. However, the Directors do not intend to borrow more than 25% of the net asset value of the Company determined at the time of drawdown. The Company may utilise leverage when deemed appropriate by the Board. The Company may be required to use its investments as security for any borrowings which it puts in place.

As at 31 December 2020, the Company had no outstanding borrowings, nor encumbrance on any of its assets.

Changes to the investment policy

No material changes have been made to the Company's investment policy during the year.

Risk management

The Board has developed a set of risk management policies, procedures and controls, and has delegated the monitoring, management and mitigation of these principal risks to the Risk Committee. The Risk Committee provides feedback and oversight to the Board on a regular basis. Refer to the Risk Committee Report to the Board on page 65.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and Consolidated Financial Statements in accordance with applicable law and regulations.

The Directors are responsible for preparing the Annual Report and the Consolidated Financial Statements in accordance with applicable law and regulations.

Bermuda company law requires the Directors to lay Financial Statements for each financial year before the Members. The Directors have prepared the Consolidated Financial Statements in accordance with International Financial Reporting Standards ('IFRS'). Consistent with the common law requirements to exercise their fiduciary duties consistent with their level of skills, the Directors will not approve the Consolidated Financial Statements unless they are satisfied that the Consolidated Financial Statements present fairly, in all material respects, the state of affairs of the Company and of the profit or loss of the Company for the year. In preparing these Consolidated Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the Consolidated Financial Statements;
- assess the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern; and
- use the going concern basis of accounting unless it is inappropriate to presume that the Company will continue in business.

The Company's Consolidated Financial Statements are published on www.oakleycapitalinvestments.com.

The responsibility for the maintenance and integrity of the website has been delegated to the Investment Adviser. The work carried out by the Auditor does not involve consideration of the maintenance and integrity of this website and, accordingly, the Auditor accepts no responsibility for any changes that have occurred to the Consolidated Financial Statements since they were published on the website.

The Directors are responsible for ensuring that (i) proper accounting records are kept which are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company, and (ii) that the Consolidated Financial Statements comply with the Bermuda Companies Act 1981 (as amended). They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Responsibility statement of the Directors in respect of the Annual Report

Each of the Directors, whose names and functions are listed in the Board of Directors section of this report, confirms that, to the best of his/her knowledge:

- the Annual Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that the Company faces;

- the Consolidated Financial Statements, prepared in accordance with IFRS, present fairly, in all material respects, the assets, liabilities, financial position and profit or loss of the Company and, taken as a whole, are in compliance with the requirements set out in the Bermuda Companies Act 1981 (as amended);
- the Annual Report includes a fair review of the development and performance of the business and position of the Company and a description of the principal risks and uncertainties the Company faces;
- the Investment Adviser's report, together with the Directors' report and Chair's statement, include a fair review of the information as required; and
- the Annual Report and Consolidated Financial Statements, taken as a whole, provide the information necessary to assess the Company's position and performance, business model and strategy, and is fair, balanced and understandable.

On behalf of the Board.

Caroline Foulger

Chair

10 March 2021

The Board recognises the importance of sound corporate governance.



Caroline Foulger
Chair

Chair's introduction to Corporate Governance

Good corporate governance is a fundamental component of the Company's activities.

The primary function of the Board is to provide leadership and strategic direction and it is responsible for the overall management and control of the Company.

It is through these functions that the Board delivers long-term sustainable value and responsible growth for its shareholders.

The Company voluntarily applies the FCA Listing Rules where appropriate. Listing Rule 9.8.4C requires the Company to include certain information in a single identifiable section of this Annual Report or a cross-reference table indicating where this information is set out. The Directors confirm that there are no disclosures to be made in this regard, save that: (i) Peter Dubens has waived his right to receive a Director's fee; and (ii) the Company has entered into an Operational Services Agreement with the Administrative Agent, Oakley Capital Manager Limited, which is owned 100% by Peter Dubens, a Director of the Company.

Statement of independence

The AIC Code recommends that the Chair should be independent in character and judgement and free from relationships or circumstances that may affect or could appear to affect his or her judgement.

In addition to this provision, at least half the Board, excluding the Chair, should be Non-Executive Directors whom the Board considers to be independent of the Oakley Group.

Independence is determined by ensuring that, apart from receiving their fees for acting as Directors or owning shares, Non-Executive Directors do not have any other material relationships with, nor derive additional remuneration from or as a result of transactions with, the Company, its promoters, its management or its partners, which in the judgement of the Board may affect, or could appear to affect the independence of their judgement.

The Board

Caroline Foulger, Fiona Beck and Richard Lightowler remain independent, as they are free from any business or other relationship that could materially interfere with their exercise of judgement. Stewart Porter will be independent in July 2021 on the third anniversary of his retirement from the Oakley Group.

Peter Dubens does not vote on matters in respect of which he is deemed to have a conflict of interest.

It is the Board's responsibility to ensure that the Company has a clear strategy and vision, and to oversee the overall management and oversight of the Company, and for its growing success.

In particular, the Board is responsible for making investment decisions into Oakley Funds and direct investments, monitoring financial performance, setting and monitoring the Company's risk appetite and ensuring that obligations to shareholders are understood and met.

The Directors believe that the Board has an appropriate balance of skills and experience, independence and knowledge of the Company to enable it to provide effective strategic leadership and proper governance of the Company.

Directors' terms of appointment

The terms and conditions of appointment for Non-Executive Directors are outlined in their letters of appointment and are available for inspection at the Company's registered office during normal business hours and at the AGM for 15 minutes prior to and during the meeting.

In accordance with the Company's bye-laws and best practice, Directors put themselves forward for annual re-election at every AGM.

The Board's process for the appointment of new Directors and proposed re-appointment of existing Directors is conducted in a manner which is transparent, engaged and open. The Nomination Committee oversees the nomination of Board members, as outlined in the Committee's report.

CORPORATE GOVERNANCE REPORT CONTINUED

The Board has delegated specific areas of responsibility to its Committees.

Board meetings

Director Board attendance is summarised as part of the Nomination Committee report.

The principal matters reviewed and considered by the Board during 2020 included:

- regular reports from the Investment Adviser on the Oakley Funds;
- increased frequency of update calls with the Investment Adviser relating to portfolio performance during the global pandemic;
- regular reports and updates from the Investment Adviser on the direct investments and debt facilities held by the Company;
- regular reports from Investor Relations and the Investment Broker;
- direct investment opportunities;
- reports and updates from the Administrative Agent;
- consideration of the Company's share price and net asset value;
- regular reports from the Board's Committees;
- the Annual Report and Half-yearly Report;
- report from external remuneration consultant to the Remuneration Committee;
- report from the external auditor; and
- corporate matters including dividend policy and share buy-backs.

Board training

New Directors are provided with an induction programme tailored to the particular circumstances of the appointee and which includes being briefed fully about the Company by the Chair and Senior Executives of the Investment Adviser. The Board programme considers the training and development needs of both the Board as a whole and of individual Directors.

Information and support

The Board ensures it receives, in a timely manner, information of an appropriate quality to enable it to adequately discharge its responsibilities. Papers are provided to the Directors in advance of the relevant Board or committee meeting to enable them to make further enquiries about any matter prior to the meeting, should they so wish. This also allows the Directors who are unable to attend to submit views in advance of the meeting.

The Board of Directors has regular access to the Investment Adviser and Administrator which supports open discussion at Board meetings.

Reports from the Committees of the Board

The Board has delegated specified areas of responsibility to its Committees. The terms of reference of all Committees are available publicly on the Company's website.

In practice, all Board members are eligible to attend all Committee meetings, unless specifically identified conflicts are deemed to require otherwise.

The Board primarily assesses each Committee's performance by analysing output against its terms of reference and its members' attendance at Committee meetings.

AIC Code

The Board recognises the importance of sound corporate governance and has chosen to comply with the Association of Investment Companies Code of Corporate Governance (the 'AIC Code'), as is appropriate for the Company's size and listing.

The AIC represents closed-ended investment companies whose shares are traded on public markets. The purpose of the AIC Code is to provide a framework of best practice in respect of the governance of investment companies.

The Board has considered the Principles and Provisions of the AIC Code of Corporate Governance, as last updated in February 2019. The AIC Code addresses the Principles and Provisions set out in the 2018 UK Corporate Governance Code (the 'UK Code'), as well as setting out additional Principles on issues that are of specific relevance to the Company.

The Board considers that reporting consistent with the Principles of the AIC Code, which has been endorsed by the Financial Reporting Council, will provide more relevant information to shareholders.

A copy of the AIC Code is available on the AIC's website at www.theaic.co.uk. It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies.

CORPORATE GOVERNANCE REPORT CONTINUED

The Board has maintained its focus on the governance process to preserve and create value for shareholders.

The Company has complied with all the Principles and Provisions of the AIC Code and the relevant provisions of the UK Code, except as set out below:

- the UK Code includes provisions relating to the need for an internal audit function. The Board and Audit Committee continues to consider the need for a dedicated internal audit or assurance function as not required for the Company, given the robust, independent ongoing work conducted by the Management Engagement Committee in reviewing service providers' performance, internal controls and quality.

In the context of the business of the Company, certain recommendations of the AIC Code have not been deemed appropriate to its governance framework, as explained below:

- the UK Code includes provisions relating to the role of senior executive remuneration. The Board continues to consider this provision as not relevant to the Company as it does not have any employees, with remuneration of service providers being actively considered and reviewed for appropriateness by the Management Engagement Committee. Risk management decisions are taken by the Board and its Committees.

- AIC Provision 24: The Board has chosen not to adopt a fixed policy on tenure of the Chair. The tenure of the current Chair, Caroline Foulger's appointment has been set to end and/or be considered for renewal in September 2022. The Board recognises the value of refreshing its membership regularly, and has established fixed tenure for all three independent Directors. The Nomination Committee of the Board prefers to retain the flexibility to assess the balance of skills and experience of the Board as a whole. Furthermore, given the long-term nature of the Company's investments, the Directors consider that maintaining a degree of continuity and a long-term perspective at Board level can be of particular value.

The Company's compliance with the AIC Code principles is summarised on the following pages.

The Corporate Governance Report has been approved by the Board and is signed on its behalf by:

Caroline Foulger

Chair

10 March 2021

CORPORATE GOVERNANCE REPORT CONTINUED

Board leadership and purpose

Principle	Evidence of compliance
A A successful Company is led by an effective Board, whose role is to promote the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society.	Long-term sustainability of the financial prospects of the Company's business model is considered as part of ongoing strategy discussions by the Board. This is premised upon the repeatable success of the Oakley Funds, and therefore due diligence of the Investment Adviser's processes and performance continues to be considered by the Management Engagement Committee of the Board. Risk appetite is monitored and maintained within Board-approved limits, preserving value and controlling for current and emerging risks. The Company's investment policy and objective is included as part of this Annual Report – refer to the inside front cover of this report and page 54. Also see the Company's business model and strategy on page 18.
B The Board should establish the Company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All Directors must act with integrity, lead by example and promote the desired culture.	The Board believes that its core strategy of investing in the Oakley Funds provides access to Oakley's entrepreneurial values and willingness to embrace complexity. The Oakley Funds provide access to investment opportunities at attractive entry multiples, consistent with the Company's investment objectives. Oakley summarises its values as: CONNECTED: An established network of European entrepreneurs that identify opportunities and drive growth. CREATIVE: The ability and experience to tackle complex transactions and unlock hidden pockets of value. COLLABORATIVE: A culture of humility and openness and a commitment to long-term partnership. The Board actively fosters and supports a culture that is open to new ideas, and is able to leverage the experience and expertise of its service providers. The Company has enhanced dedication to its environmental, social and governance impacts on wider society during the year. The Company is working closely with the Investment Adviser's newly appointed Head of Sustainability as the ESG process is embedded throughout the investment cycle and has added ESG process to its own portfolio monitoring and governance framework. The Nomination Committee performs an annual effectiveness assessment of the Board, which includes testing of alignment with strategy, purpose and values. Refer to the report by the Nomination Committee on page 68. Oakley has the empathy to understand the challenges faced by entrepreneurial founders and management teams, and the experience to work closely with them to provide solutions as they develop and grow their business.
C The Board should ensure that the necessary resources are in place for the Company to meet its objectives and measure performance against them. The Board should also establish a framework of prudent and effective controls, which enable risk to be assessed and managed.	Through the work of its regular Committee and Board meetings, the Board ensures frequent measurement against the Company's objectives. The adequacy, effectiveness and appropriateness of resources and controls are monitored and discussed regularly at Board meetings. The Directors' Report outlines the activities of the Board in more detail. > The Management Engagement Committee assesses key service providers' performance including expectations for effectiveness of its respective control environments – refer to the Committee Report on page 69. > The Audit Committee oversees the internal and financial control environment for adequacy and effectiveness – refer to the Committee Report on page 63. > The Risk Committee establishes the Company's risk framework in conjunction with Board-approved risk appetites. The risk framework is used to monitor and measure established and emerging risks. > The Nomination Committee aims to balance skills, experience and diversity of Board members and conducts, at least annually, a Board effectiveness assessment. > The Governance, Regulatory and Compliance Committee aims to assist the Board to fulfil its corporate governance and oversight responsibilities in relation to the relevant codes, laws, regulations and policies impacting the Company. The Company implements and strictly monitors its Conflicts of Interest Policy. There were no breaches of this policy in 2020.

CORPORATE GOVERNANCE REPORT CONTINUED

Principle	Evidence of compliance
D In order for the Company to meet its responsibilities to shareholders and stakeholders, the Board should ensure effective engagement with, and encourage participation from, these parties.	The Board is committed to maintain the Company's reputation for high standards of conduct and engagement with its shareholders and stakeholders – refer to Section 172 reporting on page 51. The Board remains committed to transparent reporting in all communications including in Annual and Half-year Reports, via the Company website, and by means of annual shareholder meetings and Capital Markets Days.

Division of responsibilities

Principle	Evidence of compliance
F The Chair leads the Board and is responsible for its overall effectiveness in directing the Company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the Chair facilitates constructive Board relations and the effective contribution of all Non-Executive Directors, and ensures that Directors receive accurate, timely and clear information.	Caroline Foulger, as Chair, leads the Board of Directors with an open culture of demonstrative challenge, openness and accountability. She was independent at appointment, and is considered by the Board to remain so for all intents, constructions and purposes, as assessed consistently with the circumstances listed in AIC Provision 13. The responsibilities of the Board are set out in the Company's bye-laws, which are published on its website. All Committees' terms of reference are furthermore also published on the Company's website. The number of meetings of the Board and its Committees, and the individual attendance by Directors are reported on in the Nomination Committee's Report to the Board, which is included in this Annual Report.
G The Board should consist of an appropriate combination of Directors (and, in particular, independent Non-Executive Directors) such that no one individual or small group of individuals dominates the Board's decision-making.	Three of five Directors are considered independent (i.e. Caroline Foulger, Richard Lightowler and Fiona Beck). Stewart Porter will be considered independent effective July 2021 following more than three years from his retirement from Oakley. After Craig Bodenstab stepped down from the Board, Richard Lightowler was appointed as Senior Independent Director, securing an available path of intermediation for shareholders and other Directors, whilst also acting as trusted adviser and sounding board to the Chair. Peter Dubens is the Founder and Managing Partner of the Oakley Group, and hence not considered independent. The Company implements a strict Conflicts of Interest Policy to mitigate any potential interference with Directors' exercise of judgement. The culture of open and honest communication and forthright discussion means no individual or small group of Board members dominates decision-making.
H Non-Executive Directors should have sufficient time to meet their Board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold third-party service providers to account.	All Directors' other commitments are monitored, reported, and publicly disclosed by RNS as appropriate. During 2020, demands on Directors' time was considered at all times prior to the approval of additional material mandates being approved by the Board. Directors have regular direct access to both senior and junior level service provider staff. The Management Engagement Committee enforces and supports continuous improvement both from a tactical service delivery and high-level strategic engagement perspective. The Management Engagement Committee's Report includes an assessment of the performance of the Oakley Group and other service providers for the year. For 2020, the performance of significant service providers was deemed as strong. A review of administration services is scheduled for the first half of 2021.

CORPORATE GOVERNANCE REPORT CONTINUED

Principle	Evidence of compliance
I The Board, supported by the Company Secretary, should ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently.	The Administrative Agent, Oakley Capital Manager Limited, also acts as Company Secretary and is based at the Company's registered address in Bermuda. Board members have readily available access to senior staff at the Administrative Agent and Investment Adviser, enhancing information flow in support of effective decision-making. Directors and Committees of the Board have access to independent professional advice, at the Company's expense, if deemed necessary and appropriate. This is provided for in the terms of reference of each relevant Committee, available on the Company's website. The ultimate decision to invest, or take other investment decisions, sits with the Board. In the ordinary course, this is done after reviewing the recommendations of the Investment Adviser.

Composition, succession and evaluation

Provision	Evidence of compliance
J Appointments to the Board should be subject to a formal, rigorous and transparent procedure, and an effective succession plan should be maintained. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.	The Nomination Committee completes a formal due diligence process on all appointments. Promotion of inclusiveness, diversity of gender and professional backgrounds, as well as personal strengths are thoroughly incorporated in decision-making. The Board has achieved a 40%/60% gender balance and aims to develop its ethnic diversity in the future.
K The Board and its Committees should have a combination of skills, experience and knowledge. Consideration should be given to the length of service of the Board as a whole and membership regularly refreshed.	The Board considers the current level of diversity of demographic, soft and hard skills, as well as balance of appropriate experience and tenure. Each of the Directors retire and are subject to re-election at each AGM. Nomination decisions are taken by the Nomination Committee of the Board. Refer to the Directors' Report for the biography of each Director, page 46. Fiona Beck was appointed to the Board in September 2020, bringing a depth of experience in leadership roles and telecoms industry expertise. Caroline Foulger's position as Chair is currently due to expire on 30 September 2022, approximately six years after her first appointment to the Board. Due to the long-term nature of the Company's investments in the Oakley Funds, continuity and succession planning are important considerations that are considered and assessed by the Nomination Committee of the Board.
L Annual evaluation of the Board should consider its composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each Director continues to contribute effectively.	Board and Committee effectiveness is formally assessed at least annually. The objective of Board diversity and inclusion is taken into account during the Board nomination and evaluation process. The assessment for 2020 assessed the Board as a whole and each Director's performance as strong.

CORPORATE GOVERNANCE REPORT CONTINUED

Audit, risk and internal control

Principle	Evidence of compliance
M The Board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of external audit functions and satisfy itself on the integrity of financial and narrative statements.	The Audit Committee, consisting of three independent Directors considers the independence and effectiveness of the external auditors at least annually. Given the size and composition of the Company's Board, it has been deemed appropriate that the Chair is a member of the Audit Committee in order to satisfy the requirement for the Committee to be made up of three independent Directors. The Company rigorously follows policy and procedure to ensure effectiveness of external audit and integrity of Financial Statements and narrative reporting. Refer to the Audit Committee Report on page 63.
N The Board should present a fair, balanced and understandable assessment of the Company's position and prospects.	The Company's financial position and prospects is reviewed on an ongoing basis; refer to the viability statement on page 53. This includes assessment and monitoring of emerging and principal risks relevant to the business model of the Company. The Annual and Half-year Report provides fair, balanced and understandable commentary on the Company's position and prospects.
O The Board should establish procedures to manage risk, oversee the internal control framework, and determine the nature and extent of the principal risks the Company is willing to take in order to achieve its long-term strategic objectives.	The Risk Committee of the Board monitors risk against risk appetite, which is reassessed at least annually. The operational, financial and compliance control framework of the Company is materially implemented by service providers. These are overseen by the Management Engagement Committee. The Governance, Regulatory and Compliance Committee monitors and oversees implementation of compliance controls and compliance with relevant laws and regulations. Refer to the respective Committee Reports.

Remuneration

Principle	Evidence of compliance
P Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success.	Directors of the Company, excluding Peter Dubens, are paid a fixed Director's fee only. Peter Dubens does not receive a fee. The Company has adopted a policy whereby independent Directors are required to hold shares in the Company to the value of one year's fees within three years of appointment.
Q A formal and transparent procedure for developing remuneration policy should be established. No Director should be involved in deciding their own remuneration outcome.	The Remuneration Committee reviews market appropriateness and fairness of Director remuneration at least annually. During 2020, the Board, by means of the Remuneration Committee, had an external remuneration consultant review and provided recommendations on Directors' fees appropriate for the Company's circumstances. It was agreed to increase Directors' fees as outlined on page 71.
R Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of Company and individual performance, and wider circumstances.	Company performance, operating complexities, individual contribution and market circumstances are all considered by the Remuneration Committee.

The Board is supported by the Audit Committee, which comprises Richard Lightowler as the Chair of the Committee, Fiona Beck and Caroline Foulger.



Objectives for 2021

- Continued oversight of the investment valuation process and methodology to ensure that NAV is reported fairly.
- Regular monitoring of impact of COVID-19 on portfolio companies and NAV.
- Oversight and assessment of quality of external auditor.
- Work through the transition plan for Audit Engagement Partner.
- Continue to provide oversight of financial reporting, internal controls and audit process.



Achievements in 2020

- Completion of a tender process for external audit services.
- Concluded that the year-end valuations have been effectively carried out, and that investments are fairly valued.
- Active monitoring of impact of the COVID-19 pandemic on portfolio companies and resultant effect on valuation process and NAV estimates.

The principal role of the Audit Committee is to consider the following matters and make appropriate recommendations to the Board to ensure that:

- the integrity of financial reporting and the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy;
- the independence, objectivity and effectiveness of the appointed Auditor is monitored and reviewed. The Committee additionally reviews the Auditor's performance in terms of quality, control and value and considers whether shareholders would be better served by a change of Auditor; and
- the internal control systems of the Company are adequate and effective.

The Chair of the Audit Committee is appointed by the Board of Directors. Richard Lightowler was appointed as Audit Committee Chair

following the retirement of Laurence Blackall at the May 2020 AGM. As at 8 March 2021, the Audit Committee comprised Richard Lightowler (Chair), Caroline Foulger and Fiona Beck.

The Audit Committee met three times during the year under review and has continued to support the Board in fulfilling its oversight responsibilities. The Audit Committee formally reports to the Board on its proceedings after each meeting on all matters within its duties and responsibilities. Attendance is summarised as part of the report by the Nomination Committee of the Board.

Financial reporting

One of the most significant risks in the Company's accounts is the valuation of the Oakley Funds and of the Company's direct debt and equity investments, specifically whether those investments are fairly and consistently valued. This issue is considered carefully when the Audit Committee reviews the Company's Annual Report.

A key area of focus of the Committee is the underlying business performance of the Oakley Funds' portfolio companies and the methodologies and estimates used in their valuation. This is also a key area of focus of the Auditor.

The Board met regularly during the year outside the normal Board cycle to receive updates from the Investment Adviser on how the pandemic was affecting portfolio companies, what actions were being taken by those companies and the resultant impacts on financial results, prospects and therefore, valuations.

Valuations are produced by the Investment Adviser and are independently reviewed by a professional valuation firm who report on their procedures and the conclusions of their work. The Committee reviews and ensures continued independence of the external valuation firm. The Investment Adviser provides detailed explanations of the rationale for the valuation methodologies.

AUDIT COMMITTEE REPORT CONTINUED

The Audit Committee concluded that the year-end valuation process had been effectively carried out and that the investments have been fairly valued. It is noted that both the valuation process and accounting principles applied during the year were materially consistent with previous years.

During the year, the Audit Committee reviewed and approved the Company's Half-year Report and dividend declarations.

The Audit Committee approved the Annual Report, confirming to the Board that financial and narrative reporting are fair, balanced and understandable, in compliance with the AIC Code of Corporate Governance.

Audit: independence and objectivity

The Committee is responsible for overseeing the relationship with the external Auditor including (but not limited to): approval of their remuneration; approval of their terms of engagement; assessing annually their independence and objectivity; monitoring the Auditor's compliance with relevant ethical and professional guidance on the rotation of audit partners and specialists; and assessing annually their qualifications, expertise and resources and the overall effectiveness of the audit process.

KPMG Audit Limited ('KPMG' or the 'Auditor'), located in Hamilton, Bermuda, has been the Company's Auditor since 2007. The Audit Committee reviews their performance annually. The Audit Committee considers a range of factors in determining the quality of the audit firm including independence and objectivity, quality of service, the Auditor's specialist expertise and the level of audit fee. Based on the Company's policy, the Auditor is required

to rotate the audit partner every five years. The year ended 31 December 2020 is the fourth year of the current audit partner's involvement leading the audit of the Company.

The Audit Committee undertook a tender process early in 2020 for the 2021 external audit. Three firms (including KPMG) were invited to participate. From the initial submissions received, the Committee narrowed the candidates to two firms. This process concluded in the retention of KPMG as external auditor. Key to this decision was KPMG's effectiveness, strength of team and strong controls in support of maintaining independence. As a former partner of KPMG, Richard Lightowler was not involved in this tender process and did not assume the role of Chair until the tender process was complete.

Any non-audit work carried out by the Auditor must be approved in advance by the Audit Committee. In deciding whether to engage the Auditor for non-audit services the Committee considers the impact on independence, potential conflicts of interest, the nature of the work being performed, the ability of the team conducting the work and its relationship to the audit team as well as the quantum of fees in relation to the audit fee.

During the year, the Audit Committee approved the following non-audit services provided by KPMG:

- assistance with the preparation of Bermuda Economic Substance Declaration ('ESD') filings; and
- regulatory and tax updates to the Board of Directors.

The Committee is satisfied that these services do not impact Auditor independence or otherwise impact the quality of the external audit.

Internal control and risk management

The Audit Committee considers the potential need for an internal audit function on an annual basis.

The Company engages service providers to carry out all significant operating and financial reporting activities. The Management Engagement Committee monitors the performance of all key service providers, including a consideration of their internal controls and compliance activities. The Company receives direct reporting from the service providers (including from their compliance functions) on internal controls, the identification of any weaknesses or significant changes in process. This oversight by the Management Engagement Committee is considered adequately robust and independent given the nature of operations and obviates the need for an internal audit function.

No material control weaknesses or any suspicions of potential fraud were identified by the Company. The Company and its key service providers implement clear whistle-blowing and anti-bribery and corruption policies.

On behalf of the Board.

Richard Lightowler
Chair of the Audit Committee

RISK COMMITTEE REPORT

The Board is supported by the Risk Committee, which comprises two Non-Executive Directors. Richard Lightowler is the Chair of the Committee and Caroline Foulger also serves on the Committee.



Objectives for 2021

- Ensuring the risk incident report remains clear of any material risk events for the year.
- Enabling increased efficiency in policy and process review and transparency through the use of technology.
- Continuing to robustly and effectively challenge the portfolio monitoring and reporting process.



Achievements in 2020

- Risk incident report clear of any material risk events for the year.
- Appointed new Non-Executive Director to chair the Risk Committee.
- Improved the methodologies and processes used by the Company for identifying, evaluating and monitoring risk.
- Further quantified and expanded risk appetite agreed with the Board.

Effective identification, management and mitigation of risks is central to the Company achieving its strategic objectives. The Board develops and maintains the Company's risk management strategy, and performs oversight of its implementation. Responsibility for implementation of the risk management appetite, strategy, monitoring and reporting is delegated to the Risk Committee.

The Risk Committee has oversight of the Company's risk management process including managing risk tolerances. The Committee is responsible for ensuring the effective application of risk management in the operations of the Company.

The Risk Committee acts separately from the function of portfolio management and is comprised of Non-Executive Directors, with support from resources independent of the Investment Adviser. The Chair of the Risk Committee is appointed by the Board of Directors. The role and responsibility of the Chair of the Risk Committee is to set the agenda for meetings of the Risk Committee and, in doing so, take responsibility for ensuring that the Risk Committee fulfils its duties under its terms of reference.

As at 8 March 2021, the Risk Committee comprised Richard Lightowler (Chair) and Caroline Foulger.

The Risk Committee met four times during the year under review and has continued to support the Board in its oversight, monitoring and mitigation of emerging and principal risks.

The principal risks and uncertainties faced by the Company are described below. Note 5 to the Consolidated Financial Statements provides detailed explanations of the risks associated with the Company's investments.

On behalf of the Board.

Richard Lightowler
Chair of the Risk Committee

PRINCIPAL RISKS AND UNCERTAINTIES

During the year under review, the Risk Committee has continued to identify, assess, monitor and manage risks within the Company, including those that would impact its future performance, solvency, liquidity or reputation. This review includes the monitoring of risk exposure compared with the risk appetite established by the Board.

Key risks and uncertainties of the Company are assessed on a scale, considering their impact and likelihood. The Committee monitors detailed and, wherever possible, quantifiable indicators of the Company's exposure to risk, segmented into five core categories, summarised below. During 2020, regular consideration was given to the impact COVID-19 had in each of the five categories of risk.

Principal risks

Financial performance

Risks and uncertainties	Impact	Mitigation
The Company's investment activities expose it to a variety of financial risks that include credit, liquidity, interest rate, currency and valuation risk. Further details are disclosed in Note 5 to the Consolidated Financial Statements.	The main driver of the Company's performance is the valuation of the underlying portfolio companies held by the Oakley Funds as well as its direct investments. The Risk Committee monitors the movements in the valuations of the underlying portfolio on a quarterly basis and challenges movements which differ from expectations. Material changes in valuations have a significant impact on performance.	During the year, the Board regularly considered the impact of COVID-19 on valuations. Specifically, this included monitoring the impact on operating and financial performance of portfolio companies. This was achieved through regular update calls, materials and discussions with the Investment Adviser. The credit risk of lending to the Oakley Funds or direct debt investments in portfolio companies is considered on a case-by-case and aggregate basis by the Board and Risk Committee. Direct credit investments were substantially reduced during 2020, as part of a continued strategy towards a clear focus on Fund investments. The Company holds investments in portfolio companies located outside the UK, notably Western Europe, which are valued in non-GBP currencies. The Company may hedge the foreign exchange exposure to any non-GBP investments as deemed appropriate by the Board from time to time. The Risk Committee considers potential hedging strategies for recommendation to the Board, and has to date recommended not to hedge any currency risk aside from keeping a nominal amount of cash holding in GBP for servicing ~three years' operating expenses.

Company performance

Risks and uncertainties	Impact	Mitigation
The Risk Committee monitors and manages a Board-set appetite on Company performance with a clear focus on stakeholder interests as measured by share price. Shareholder return, NAV return, share price discount to NAV and dividend yield are all actively monitored and actions recommended for Board approval as deemed appropriate.	The Company considers the most impactful drivers of its performance to be the pipeline of Fund investments available for investment, relative to liquid cash positions, and underlying portfolio Company performance in the Fund investments. Reputational risk, sustainability considerations and dividend policy are also factored into performance management.	Consistent with guidelines and tolerances set by the Board, the Committee considers potential corrective action within its control, in the event of tolerances being exceeded. The availability of investment pipeline, i.e. future Oakley Fund investment opportunities, are considered in tandem with the opportunity cost of potential cash drag relative to liquidity risk. Dividend policy and share buy-back programmes are also considered in tandem with liquidity risk. The Committee specifically introduced dedicated monitoring of ESG risks during 2020.

PRINCIPAL RISKS AND UNCERTAINTIES CONTINUED

Operational risk

Risks and uncertainties	Impact	Mitigation
(i) Outsourcing The Company relies heavily upon the services provided by contracted third-party advisers. The valuation of the underlying portfolio companies, cyber security, data management, accounting records and maintenance of regulatory and legal requirements, depend on the effective operation of key service providers.	(i) Outsourcing Significant disruption of service providers could have adverse impacts on timing and quality of financial reporting and safeguarding of assets.	(i) Outsourcing Through the Management Engagement Committee, regular reviews of the performance of service providers (including the Administrative Agent and Investment Adviser) are conducted. The performance assessment considers cost, efficiency, internal controls, performance, key person risk and compliance with the terms of arrangements. The results of these reviews are shared with the Board and monitored by the Risk Committee as part of the appetite. COVID-19 had limited impact on operational risk. All service providers were able to quickly and effectively move to remote working without disruption to operations.
(ii) Governance The effective operation of the Board, including its composition and skills mix, is key to the continued success of the Company and is monitored by the Risk Committee and overseen by the Nomination Committee of the Board.	(ii) Governance Strong governance is recognised as a key performance measure and is embedded in all activities of the Company. Good governance has a positive impact on performance.	(ii) Governance The Company has a clear commitment to governance with tone set by the Board. The Nomination Committee is responsible for selection of Directors and evaluation of the Board and individual Directors annually. The Company implements strict policies to track, monitor and mitigate conflicts of interest on both an individual and transactional basis. The Risk Committee maintains a register of potential conflicts of interest for appropriate mitigation in the event of perceived conflicts, and ensures appropriate implementation of necessary protocol when decisions are taken.

Regulatory risk

Risks and uncertainties	Impact	Mitigation
Changes in legislation, regulation and/or government policy could significantly impact the Company's performance.	Cost and resourcing implications of new and/or changing regulation can result in material impacts to the Company. Compliance failures can further result in penalties, censure or reputational damage.	The Governance, Regulatory and Compliance Committee tracks and reports on emerging regulatory, tax and legal developments potentially impacting the Company. These are monitored within the Company's risk framework. The Committee receives regular reporting and input from the Company's legal counsel (both UK and Bermuda), financial adviser, and internal compliance team.

Liquidity risk

Risks and uncertainties	Impact	Mitigation
As the Company invests in illiquid private equity closed-ended funds and direct private debt and equity investments, forecasting cash flows is a key component in managing liquidity risk. These cash flow forecasts include significant estimates as to timing and quantum of cash inflows and outflows.	The ability to meet ongoing operational liquidity needs and capital calls related to Fund commitments is of the highest priority for the Company. The level of new Fund commitment is driven off longer-term future Fund cash flow projections, which are considered within a range of probabilities.	To manage this uncertainty, the Company maintains a level of liquidity to enable it, based on these estimates, to meet its capital commitments to the Oakley Funds as well as being able to participate in any other potential investments made by Oakley throughout the investment and realisation cycle. Cash flow models are reviewed at least quarterly to manage cash throughout the investment cycle. This enables the Company to fulfil its commitments as they fall due, manage longer-term commitments and actively manage liquid cash resources. The Risk Committee actively monitors future cash flow forecasts with a focus on understanding key assumptions and estimates, and maintenance of liquidity within established risk tolerances.

NOMINATION COMMITTEE REPORT

The Board is supported by the Nomination Committee, which comprises three Non-Executive Directors. Caroline Foulger is the Chair of the Committee, with Richard Lightowler and Fiona Beck also serving.



Objectives for 2021

- Continuing to oversee appointments and reappointments to the Board of Directors; and
- Continuing to assess and oversee Board effectiveness.

The purpose of the Committee is to provide effective operation of the Board and to oversee appointments and reappointments to the Board.

The Committee oversees the process of nomination and appointment of new Directors. In summary, the process includes, but is not limited to:

- reviewing the succession plans and needs for the Chair of the Board and Directors;
- seeking the best available candidates considering specific criteria determined by the Board;
- agreeing a short-list of candidates, considering the views of the Company's professional advisers; and



Achievements in 2020

- Appointed one new Bermuda-based Non-Executive Director to join the Board, strengthening the balance of skills and providing further succession planning options;
- Enhanced the Board Effectiveness Review process; and
- Continued effective Board management.

- conducting interviews both individually and inclusive of the Board as a whole.

Members of the Committee vote on the election of new candidates, following which appointment is recommended to the full Board. The Board considers diversity when making a new appointment and seeks to get a unanimous vote on the appointment of the proposed candidate.

As at 8 March 2021, the Nomination Committee comprised Caroline Foulger (Chair), Fiona Beck and Richard Lightowler. Caroline, as Chair of the Board, cannot vote on her own appointment. The Company does not have a formal policy of tenure in place but assesses each Director's role on an individual basis based on their performance. In its review of the effectiveness of the Board,

the Committee monitors Board and Committee meeting attendance. See the Governance, Regulatory and Compliance Committee Report for details of the Diversity and Inclusion policy.

During 2020, Laurence Blackall retired and Craig Bodenstab resigned from the Board in May and June respectively. Fiona Beck was appointed as an independent Non-Executive Director in September.

On behalf of the Board.

Caroline Foulger
Chair of the Nomination Committee

Number of meetings attended / eligible to attend:

Director	Board Meetings	Audit Committee	Risk Committee	Management Engagement Committee	Governance, Regulatory and Compliance Committee	Nomination Committee	Remuneration Committee
Caroline Foulger	10/10	3/3	4/4	2/2	4/4	1/1	3/3
Craig Bodenstab (<i>resigned June 2020</i>)	6/6	1/1	2/2	1/1	2/2	0/0	2/2
Laurence Blackall (<i>retired May 2020</i>)	4/4	1/1	1/1	0/0	1/1	0/0	1/1
Stewart Porter	10/10	3/3	4/4	2/2	4/4	1/1	3/3
Fiona Beck (<i>appointed September 2020</i>)	2/2	1/1	1/1	1/1	1/1	0/0	1/1
Peter Dubens (<i>or David Till as alternate</i>)	10/10	3/3	4/4	2/2	4/4	1/1	3/3
Richard Lightowler (<i>appointed in December 2019</i>)	10/10	3/3	4/4	2/2	4/4	1/1	3/3

MANAGEMENT ENGAGEMENT COMMITTEE REPORT

The Board is supported by the Management Engagement Committee, which comprises two Non-Executive Directors. Caroline Foulger chairs the Committee, and Richard Lightowler also serves on the Committee.



Objectives for 2021

- Continuing to monitor the remuneration, performance and compliance with respective agreements of key service providers.
- Continued enhancement of ongoing monitoring and reporting of key service provider control environment and performance.

We are pleased to report on the matters which the Management Engagement Committee has considered.

The purpose of the Committee is to review on a regular basis the appointment, remuneration and performance of the key service providers to the Company, with a key focus on the Investment Adviser and Administrative Agent.

The Committee is focused on quality and value in the services obtained, and monitors this by means of oversight of performance, assessments of internal controls and exception reporting.

The Chair of the Management Engagement Committee is appointed by the Board of Directors.

The Management Engagement Committee met three times during the year. The Committee formally reports to the Board on its proceedings on all matters within its duties and responsibilities. Attendance is summarised as part of the report by the Nomination Committee of the Board.



Achievements in 2020

- Assessment of the remuneration, contractual arrangements and performance of the Administrative Agent, Investment Adviser, Broker and Financial Adviser.
- Review of all fees and expenses related to key material service providers.
- Renegotiated direct investment performance and operational service fees.

Investment Adviser and Administrative Agent

The Management Engagement Committee reviewed the performance and compliance with agreements of both the Administrative Agent and Investment Adviser in 2020.

Factors addressed by the Committee during the year include:

- Marketing and investor relations performance – ongoing oversight of investor relations. Noting enhanced shareholder engagement during the year despite limited ability to engage in person.
- Remuneration: The Company renegotiated management and performance fees on direct investments to better align with market practice (see Directors' Report for further detail).
- Compliance with contractual arrangements and duties, including an assessment of the internal control environment.
- ESG and diversity considerations were flagged to service providers as high priorities of the Board in its review.

It is the opinion of the Directors that the continuing appointment of the Administrative Agent and the Investment Adviser on the terms agreed is in the interests of its shareholders as a whole. Through the work of the Management Engagement Committee of the Board, the proven strong performance delivery from these service providers was noted, with no material deficiencies in delivery against agreed terms.

Other key service providers

In most instances, relationships with key third-party service providers are managed by employees of the Investment Adviser and Administrative Agent on behalf of the Company. The Broker and Financial Adviser were specifically assessed by the Committee during 2020.

Both the Committee and Board reviewed vendor-specific expenses during the year, and regularly had discussions regarding the performance of providers of legal, financial advisory, brokerage, communications and administration services.

On behalf of the Board.

Caroline Foulger

Chair of the Management Engagement Committee

GOVERNANCE, REGULATORY AND COMPLIANCE COMMITTEE REPORT

The Board is supported by the Governance, Regulatory and Compliance Committee, which comprises two Non-Executive Directors. During 2020, Stewart Porter chaired the Committee. From November 2020, Fiona Beck is the Chair of the Committee with Stewart Porter remaining on the Committee.



Objectives for 2021

- Continuing to develop and oversee the framework for Board training.
- Continued regular updates on regulatory and compliance matters.
- Ensuring the Board remains fully informed of upcoming changes in regulation, governance and compliance requirements.

The Board is pleased to report on the range of matters which the Governance, Regulatory and Compliance Committee has considered during 2020.

The purpose of the Committee is to assist the Board to fulfil its corporate governance and oversight responsibilities in relation to the relevant codes, laws, regulations and policies impacting the Company.

Key responsibilities include:

- Evaluate and monitor the Company's compliance with relevant codes, laws, regulations and external policies.
- Monitor new governance, legal, regulatory and compliance standards and ensure that plans are put in place and implemented to ensure the Company's readiness.
- Oversee the framework for Board training.

The Chair of the Governance, Regulatory and Compliance Committee is appointed by the Board of Directors.

The Governance, Regulatory and Compliance Committee met four times during the year. The Committee formally reports to the Board on all matters within its delegated responsibilities.



Achievements in 2020

- Conducted bespoke training for Directors on relevant laws and regulations.
- Detailed monitoring of ongoing obligations and Director responsibilities.
- Solidified OCI's compliance with the new Bermuda Economic Substance Act.

Attendance is encouraged for all Board members, as it serves as a forum for regulatory awareness and training. Director attendance is summarised as part of the report by the Nomination Committee of the Board.

Governance

The Committee considered the 42 provisions and 18 principles of the AIC Code of Corporate Governance, as updated in February 2019.

Compliance with and exceptions to the AIC Code were reported to the Board, and are presented in summary as part of the Corporate Governance Statement of this report.

Diversity and inclusion

The Company recognises the benefits that diversity can bring to its Board, and places great importance on ensuring that Board membership reflects this. The Board believes that a wide range of experience, age, background, perspectives, skills and knowledge allows Directors to share varying perspectives and insights, helping to create an environment of effective decision-making.

The Board supports the Investment Adviser's endeavours in relation to diversity and inclusion.

Additionally, the Board recognises the importance of leading by example on and encouraging Board diversity as it relates not only to Oakley, but also to the composition of Oakley portfolio company boards and leadership teams.

Regulatory and compliance

2020 saw the first reporting cycle of new Economic Substance regulations in Bermuda, with the Company compliant. In addition, the Administrative Agent, Oakley Capital Manager Limited, underwent a supervisory review as a regulated Investment Business in Bermuda under the Bermuda Monetary Authority. This serves as testament to the effectiveness of additional levels of oversight and robustness in the compliance control environment of the Company's key service providers.

Compliance with relevant London Stock Exchange and Bermuda law continuing obligations is monitored on an ongoing basis.

On behalf of the Board.

Fiona Beck

Chair of the Governance, Regulatory and Compliance Committee

REMUNERATION COMMITTEE REPORT

The Board is supported by the Remuneration Committee, which comprises three Non-Executive Directors. Craig Bodenstab served as Committee Chair until his resignation in June 2020. Caroline Foulger is the Chair of the Committee, with Fiona Beck and Richard Lightowler also serving on the Committee.



Objectives for 2021

- Continuing to assess and determine Directors' remuneration, ensuring no single Director determines their own remuneration.

As the Company has no direct employees, the purpose of the Committee is to determine or (as applicable) make recommendations regarding the remuneration of Directors of the Company, whilst ensuring no single Director determines their own remuneration.

The Committee commissioned an independent external remuneration consultant, early in 2020, in order to assess, benchmark and recommend appropriate levels of Director remuneration. The consultant, Trust Associates Limited, has no connection with the Company or individual Directors.

The active nature of the Board, and the way the Board works collectively sharing responsibility, particular challenges of attracting high-calibre Bermuda-based Directors, long-term continuity in Board membership and the absence of additional Committee Chair fees were all considered as part of the remuneration assessment.



Achievements in 2020

- External remuneration consultant review, benchmarking and revision of Directors' fees.

Based upon the recommendations and feedback from the consultant, Director remuneration was increased from £50,000 to £90,000 per annum for Non-Executive Directors and from £65,000 to £100,000 per annum for the Chair, applicable to 2020 and 2021. Peter Dubens continues to serve without a fee.

The Chair of the Remuneration Committee is appointed by the Board of Directors and in the current scenario where Caroline Foulger chairs the Committee, she explicitly does not vote on or determine her own remuneration.

On behalf of the Board.

Caroline Foulger
Chair of the Remuneration Committee

DIRECTORS' REMUNERATION REPORT

Directors are remunerated in the form of **fixed fees**.

Remuneration report

The Non-Executive Directors who served in the period from 1 January 2020 to 31 December 2020 received the fees detailed in the table below. Directors are remunerated in the form of fixed fees, payable twice annually in advance (typically in January and July of each year), to the Director personally. No fees are paid for attending meetings or chairing Board committees.

Director	2020 Fees (£)	2019 Fees (£)
Caroline Foulger	100,000	65,000
Peter Dubens ¹	0	0
Laurence Blackall ²	27,500	50,000
Stewart Porter	90,000	50,000
Craig Bodensab ³	45,000	23,315
Richard Lightowler ⁴	90,000	0
Fiona Beck ⁵	22,500	0

The table above details the Director's fee paid to each Director of the Company for the years ended 31 December 2019 and 31 December 2020.

There are no long-term incentive schemes provided by the Company and no performance fees are paid to Directors.

No Director has a service contract with the Company and each Director is appointed by a letter of appointment setting out the terms of their appointment. Directors are elected by shareholders at the AGM.

¹ Peter Dubens serves without a fee.

² Laurence Blackall retired in May 2020.

³ Craig Bodensab resigned in June 2020.

⁴ Richard Lightowler was appointed in December 2019.

⁵ Fiona Beck was appointed in September 2020.

Directors' interests in shares of the Company

The Board has put in place a policy whereby each Director is required to buy and hold sufficient publicly-traded stock in the Company to represent a minimum of one year's remuneration. Any newly appointed Director is required to purchase stock to that level within a reasonable amount of time (less than three years) from the date of appointment. All Directors are in compliance with the policy. As at 8 March 2021, Directors who are beneficial owners of shares in the Company are:

Director	8 March 2021	19 March 2020
Caroline Foulger	122,000	122,000
Peter Dubens	18,083,631	17,595,827
Stewart Porter	45,216	0
Richard Lightowler	130,000	0
Fiona Beck	22,000	0

Save as disclosed above, none of the Directors nor any member of their respective immediate families has any interest whether beneficial or non-beneficial in the share capital of the Company.

ALTERNATIVE INVESTMENT FUND MANAGERS' DIRECTIVE

The Company maintains an adequate level of liquidity to ensure it can meet its capital commitments.

Status and legal form

The Company is a self-managed non-UK Alternative Investment Fund ('AIF'). It is a closed-ended investment Company incorporated in Bermuda and its ordinary shares are traded on the Specialist Fund Segment ('SFS') of the London Stock Exchange's Main Market. The Company's registered office is 3rd Floor, Mintflower Place, 8 Par-la-Ville Road, Hamilton HM08, Bermuda.

Investment policy

For details of the investment policy refer to page 54.

Liquidity management

As the Company is a self-managed non-UK AIF, it is not required to comply with Chapter 3.6 of the Investment Funds sourcebook of the Financial Conduct Authority (FUND) in relation to liquidity management.

The Company maintains an adequate level of liquidity to ensure that it can meet its capital commitments to the Oakley Funds throughout the investment-realisation cycle. Cash flow modelling is performed regularly to enable the Company to manage its liquid resources and to ensure it has the ability to pay commitments as they fall due, whilst also endeavouring to manage any surplus cash.

Fees, charges and expenses

For details of the fees payable by the Company, refer to Note 15 of the Notes to the Consolidated Financial Statements.

Fair treatment of shareholders and preferential treatment

The Company will treat all of the Company's investors fairly and will not allow any investor to obtain preferential treatment, unless such treatment is appropriately disclosed. No investor currently obtains preferential treatment or the right to obtain preferential treatment.

Remuneration disclosure

The total amount of remuneration paid by the Company to its Directors during the year ended 31 December 2020 was £375,000. This comprised solely of fixed remuneration; no variable remuneration was paid. Fixed remuneration was composed of agreed fixed fees. There were six beneficiaries of this remuneration, including two Directors who retired/resigned from the Board during 2020.

Investors wishing to purchase or sell shares in the Company may do so through a stockbroker, financial adviser, bank or share-dealing platforms.

Financial calendar

The announcement and publication of the Company's results is expected in the months shown below:

January	Trading update for the year announced
March	Final results for the year announced, Annual Report published
April	Payment of final dividend
July	Interim trading update announced
September	Interim results announced, Interim Report published
October	Payment of interim dividend

Dividend

The final dividend proposed in respect of the year ended 31 December 2020 is 2.25 pence per share.

Ex-dividend date (date from which shares are transferred without dividend)	25 March 2021
Record date (last date for registering transfers to receive the dividend)	26 March 2021
Dividend payment date	15 April 2021

Share dealing

Investors wishing to purchase or sell shares in the Company may do so through a stockbroker, financial adviser, bank or share-dealing platforms.

To purchase this investment, you must have read the Key Information Document ('KID') before the trade can be executed. This is available on the Company's website at: <https://oakleycapitalinvestments.com/wp-content/uploads/2020/12/2020-OCI-KID-Document.pdf>

If you are proposing to use Computershare Investor Services PLC to purchase shares, please contact them directly and they will provide you with the KID either by email or post.

You can contact them on +44 370 703 0084.

Important information

Past performance is not a reliable indicator of future results. The value of OCI shares can fall as well as rise and you may get back less than you invested when you decide to sell your shares.

WHY INVEST IN LISTED PRIVATE EQUITY?

Private equity investment isn't solely about high-quality private companies benefiting from access to capital, but also accessing a private equity manager's sector and operational experts.

Private equity targets investments in privately owned businesses across all sectors, from recognisable household names to companies with significant growth potential. It then seeks to help these companies maximise their value during the holding period. While private equity funds are not accessible to most private investors, one attractive alternative is buying shares in listed investment companies that provide access to these funds and the performance of the private companies they back.

A bigger pond and superior performance

The number of public companies in North America and Europe is decreasing by just over 2% per annum, reflecting a simultaneous decline in IPOs and an increase in delistings and take-private transactions. In contrast, private equity continues to grow in scale and sophistication, with the industry reaching \$4.5 trillion in global assets under management at the end of the first half of 2020.¹ This has resulted in the number of private equity-backed companies increasing by over 8% per annum, a trend that looks set to continue as businesses favour access to abundant levels of capital and expertise to drive long-term growth, without the distractions of public ownership.²

Global private equity has achieved consistently strong returns throughout the past decade and has continued to outperform during the COVID-19 pandemic, as the asset class's long-term investment horizon is well placed to weather short-term disruption. The sector benefits from portfolio diversity and reduced volatility through exposure to a range of fast-growing companies, often in sectors that are harder to access through public markets. As a result, the global private equity benchmark has consistently outperformed the FTSE all-share index during the past ten years, with both revenue and profit growth consistently superior to listed companies globally.

Democratising access to private equity returns

Due to the investment ticket size and the conventional ten-year term of commitment required, typical private equity fund investors are large institutions such as pension funds, insurance companies or sovereign wealth funds. For most retail investors, private equity funds are unattainable.

Listed private equity offers a solution to these barriers. Private equity investment trusts are publicly listed companies that commit capital to private equity funds. Investors can buy and sell shares as with any public company, reducing the minimum level of investment required to the price of one share. This increases liquidity for the fund, whilst allowing retail investors to benefit from superior returns.

A hands-on approach

Private equity investment isn't solely about access to capital. It also allows high-quality private companies to benefit from private equity managers' operational professionals, who bring deep sector expertise and engage with companies on a daily basis. They may hold seats on boards, enabling them to embed deeply within organisations and directly oversee the enhancement of a company's value.

Management fees reflect the value of this active approach, meaning that they are typically higher than those of a public equity fund. However, the benefits of an engaged, experienced manager are manifested in the Fund's returns. When selecting a manager, therefore, it is important to choose one that has a strong track record.

Oakley Capital Investments has been listed since 2007 and provides access to Oakley Capital's proven record of sourcing high-quality, diversified investments; supporting their growth through active management; and selling them at attractive multiples. The companies Oakley backs, typically enjoy a set of key characteristics: market leader in their chosen niche; stable, recurring revenue streams; diversified customer bases; opportunities to expand service proposition; and scope for mergers and acquisitions. The result for shareholders is access to a globally diversified, carefully selected portfolio which provides market-leading returns.

¹ Source: Prequin.

² Source: Pitchbook.