

REMUNATION POLICY

1. Purpose

This policy is prepared in accordance with:

- a) **Directive (EU) 2034/2019** on supervision of investment firms
- b) **Regulation (EU) 2033/2019** on supervisory requirements for investment firms
- c) Bekendtgørelse lønpolitik og aflønning i pengeinstitutter, realkreditinstitutter, fondsmæglerselskaber, investeringsforvaltningsselskaber, finansielle Holding virksomheder og investeringsforeninger (**BEK no. 1242 of 10/06/2021**)
- d) Bekendtgørelse af lov om Fondsmæglerselskaber og investeringservice og -aktiviteter (**LBK no. 232 of 01/03/2024**)

The policy's objective is to ensure that Fondsmæglerselskabet CABA Capital A/S ("the Company") implements a remuneration policy and practices that are consistent with and promote robust and efficient risk management.

2. Delimitation

In preparation of this policy, the general principle of proportionality has been taken into account in such a way, that the company's size, organization, as well as the scope and complexity of its activities have been considered.

This policy applies to the company's board, management, and employees.

3. The Overall Policy

The Company's remuneration policy shall ensure that remuneration for management and employees does not lead to undesirable and excessive risk-taking, does not lead to conflicts of interest between the Company's employees and its customers, and does not discriminate based on gender, political beliefs, sexual orientation, religion or faith, race, age, or disability.

Remuneration must align with the Company's values and goals for a sustainable business model.

The fixed salary should be market-aligned and reflect the employee's professional experience and organizational responsibilities.

Any variable salary ("bonus") may be awarded discretionarily, and the management must ensure that the Company's total bonus payment is in accordance with the objective of a sustainable business model, does not erode the Company's capital base, and complies with **LOV no. 1155 of 08/06/2021** and **BEK no. 1242 of 10/06/2021**.

A bonus may be reduced by up to 100% if the employee has engaged in or been responsible for behaviour resulting in significant losses for the Company, is no longer considered suitable and honourable, has violated the company's ESG Policy or Code of Conduct.

Provided that the company has a sufficient capital base, a sign-on bonus for new employees or retention bonuses for existing employees may be granted. Such bonuses are determined at the discretion of the management and shall be tailored to the employee's skills and tenure.

As a general rule, no extraordinary severance pay is granted upon any termination of employment.

The management and the chairman of the board are shareholders in the company, and no salary or remuneration is paid to the shareholders if it hinders the company's long-term operations or erode its capital base.

Pension is typically not paid.

Pursuant to **LOV no. 1155 of 08/06/2021, §111, paragraph 2**, the company's board has opted not to establish a remuneration committee.

4. Sustainability Risks

Sustainability risks (ESG) refer to environmental, social, or governance events that, if they occur, could have significant adverse impact on the value of an investment.

The Company has prepared a separate ESG Policy that covers the Company itself and the investment strategies offered to clients. The Company's goal is to deliver long-term competitive returns on a responsible basis, and in the ESG Policy, the board has considered the business implementation and strategic goals for the work with sustainability risks.

The Company's remuneration policy is based on principles to ensure that the board, management, and employees are remunerated in such a way that the company's business and long-term strategic goals are supported in the best possible way and that any variable remuneration is awarded based on an overall assessment that balances financial and non-financial factors, including exceptional efforts and value creation for the company. Thus, sustainability risks are a natural part of the remuneration policy's principles to ensure that the management and employees are remunerated in accordance with the company's business and long-term strategic goals.

Variable remuneration for the company's employees is discretionary and cannot directly or indirectly incentivize decisions regarding sustainability. The variable salary component can be reduced by 100% if employees fail to comply with the company's ESG Policy or Code of Conduct. Serious and repeated breaches may lead to the dismissal of employees.

5. Identification of Key Risk Takers

The Company is not Fondsmæglerselskab 1, and pursuant to **§4 in BEK no. 1242 of 10/06/2021**, the board shall, taking into account the company's size and organization, as well as the scope and complexity of the company's activities, identify employees whose activities have a significant impact on the company's risk profile.

According to **BEK no. 1242 of 10/06/2021 § 4 (2)**, employees whose activities have a significant impact on the Company's risk profile are as a minimum:

- a) All members of the board and management.
- b) Employees responsible for the Company's compliance, risk management, internal audit, and other control functions.
- c) Employees with a total compensation at least equal to the lowest compensation awarded to a member of the management or another key risk taker in the financial year, and whose work has a significant impact on the company's risk profile or on the assets managed by the Company.

In observance thereof, the board has identified the following as key risk-takers in the Company:

- a) The Company's CEO by virtue of her role as CEO and compliance officer.
- b) The Company's CIO by virtue of his role as CIO and risk officer.

It is the Board that establishes the framework for allocating the Company's capital. Only the Company's Management is authorized by the Board to invest the Company's own funds within the framework and who, on this basis, can take significant risks on behalf of the Company and the Company's own funds. The Management has not authorized any employees to take risks on behalf of the Company for the Company's own funds.

6. Remuneration of the Board

The company's board is remunerated with a fixed fee and is not subject to incentive- or performance-based variable remuneration. The fee is set at a level that is market-adjusted and reflects the requirements for board members' competencies and efforts in light of the company's complexity, the scope of work, and the number of board meetings.

The fixed fee is reviewed annually in connection with the presentation of the Company's annual report.

In addition to the above fixed fee, the chairman of the board may receive compensation for consultancy services provided to the company.

7. Remuneration of the Management and key risk takers

The management is appointed by the board, and the elements of the total remuneration package for the management are set at a level and content that is market-aligned and reflects the management's seniority, organizational responsibilities, and relevant professional experience.

The remuneration of the management consists of a fixed monthly salary and a bonus, which is determined discretely by the board. The fixed salary is continually adjusted to reflect the Company's development, aiming to ensure the Company's long-term viability and support its business model. The size and payment of remuneration shall comply with **§109 and §§109a-109d in LBK no. 232 of 01/03/2024**.

8. Remuneration of Employees

The remuneration of the Company's employees is determined by the management at a level and with content that is market-aligned and commensurate with the employee's function, seniority, and relevant professional experience.

Remuneration consists of a fixed monthly salary and a bonus, which is discretely determined by the management. For employees involved in the Company's control functions, bonuses may not be dependent on the performance of the department that the employee oversees.

Employees identified as key risk-takers pursuant to **BEK no. 1242 of 10/06/2021 § 4 (2)** must be remunerated in accordance with the rules outlined in **LBK no. 232 of 01/03/2024, § 109, no. 3**, wherein the variable component of remuneration may not exceed 200% of the fixed salary, including any pension.

Bonuses may only be paid if the management assesses the payment to be financially justifiable and in accordance with the Company's values and long-term operational capabilities.

9. Disclosure and reporting of salary information

In the annual report, the total remuneration for the board, management, and employees is disclosed.

Pursuant to **BEK no. 1242 of 10/06/2021 § 23**, the Company must, no later than May 1st each year, report to the Danish Financial Supervisory Authority the number of individuals who, in the previous financial year, earned a total salary including pension exceeding an amount equivalent to 1 million euros, divided into salary brackets of amounts equivalent to 1 million euros.

The reporting to the Danish Financial Supervisory Authority pursuant to **BEK no. 1242 of 10/06/2021 § 23 subsections 1 and 2** shall include information on the number of individuals divided into areas of responsibility and business areas, whether the unnamed individual is designated as a key risk-taker, the size of individual's total salary including pension divided into fixed and variable remuneration, the size of variable pension benefits pursuant to **§ 109 subsection 6 in LBK no. 232 of 01/03/2024** and the size of the total deferred variable salary, indicating the country in which the individual works.

10. Control guidelines

The board shall oversee the remuneration of the management and employees with management responsibilities for the Company's control functions, including those responsible for risk management and compliance. Since the Company's CIO and CEO are responsible for risk management and compliance respectively, the board's direct oversight is limited to the management. The board annually reviews the Company's compliance with the remuneration policy.

The board appoints the management and therefore it has full control over the management's salary levels. Information regarding the management's salary and the Company's total salary payment must be included in the board's regular reporting at all ordinary meetings, and the Compliance Officers must annually present documentation regarding the Company's compliance with this policy.

11. Responsibilities

It is the responsibility of the board to:

- a) Ensure the implementation of and check the compliance with the remuneration policy.
- b) Adapt the remuneration policy to the company's development and revise it at least once a year.
- c) Oversee the remuneration of the management and employees with management responsibilities for the company's control functions.

It is the responsibility of the management to:

- a) Ensure compliance with this policy and associated procedures and communicate them to the Company's employees.
- b) Provide the board with regular and at least annual reporting on the Company's compliance with this policy, so that the board can assess whether the provisions of the regulations have been complied with.

12. Effective Date

This policy was adopted during the board meeting and subsequently ratified at the general meeting on April 9, 2024.