

## 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, considering the Company's size, organization, as well as the scope and complexity of its activities.

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

### 3. The Overall Policy

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

Remuneration must align with the Company's values and long-term business sustainability. Fixed salaries should reflect an employee's professional experience and responsibilities, aligning with market standards.

Any variable salary ("bonus") may be awarded at management's discretion. The total bonus payment must support a sustainable business model, maintain the Company's capital base and comply with **LBK no. 232 of 01/03/2024** and **BEK no. 1242 of 10/06/2021**.

Bonuses may be reduced by up to 100% if an employee's actions result in significant losses for the Company, violate the Company's ESG Policy or Code of Conduct, or render them unsuitable for their role.

Sign-on and retention bonuses may be granted, provided the Company has sufficient capital base. Such bonuses are determined at management's discretion and tailored to the employee's skills and tenure.

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

The management, Senior Hedge Fund Manager, Quant Director and the chairman of the board are shareholders in the company. No remuneration is paid to the shareholders if it hinders the Company's long-term operations or erode its capital base.

Pension contributions are typically not provided.

Pursuant to **LBK no. 232 of 01/03/2024, §111, paragraph 2**, the board has opted not to establish a remuneration committee.

### 4. Sustainability Risks

Sustainability risks (ESG) refer to environmental, social, or governance events may significantly impact investment value.

The Company has a separate ESG Policy covering its operations and 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 remuneration policy ensures that the board, management, and employees are compensated in a way that supports the Company's business and long-term strategic goals. Any variable remuneration is awarded based on financial and non-financial factors, including exceptional efforts and value creation. Sustainability risks are integrated into the remuneration framework to align with the Company's business model.

Variable remuneration is discretionary and must not incentivize sustainability-related decisions. The variable remuneration may be reduced by 100% if an employee fails to comply with the Company's ESG Policy or Code of Conduct. Serious and repeated violations may result in dismissal.

## 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 must identify employees who significantly impact 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) CEO by virtue of her role as CEO and compliance officer.
- b) CIO by virtue of his role as CIO and risk officer.
- c) Senior Hedge Fund Manager by virtue of his total compensation in the fiscal year 2024 that exceeds the managements total compensation in the same fiscal year.

The Board establishes capital allocation framework. Only the management is authorized to invest the Company's own funds and take significant risks on behalf of the Company. 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 board is remunerated with a fixed fee, not subject to incentive- or performance-based variables. The fee is market-adjusted, reflecting the complexity of the Company's operations and the board responsibilities.

The fixed fee is reviewed annually alongside the annual report. The chairman of the board may receive compensation for consultancy services.

## 7. Remuneration of the Management and key risk takers

The management is appointed by the board. Total remuneration is market-aligned and reflects the management's seniority, organizational responsibilities, and relevant professional experience.

Management remuneration consists of a fixed monthly salary and a discretionary bonus reviewed regularly by the board to ensure long-term business sustainability. The size and payment of remuneration shall comply with **LBK no. 232 of 01/03/2024, §109 and §§109a-109d in.**

## 8. Remuneration of Employees

The remuneration of the Company's employees is set by the management, ensuring market-alignment and appropriate reflection of function, seniority, and relevant professional experience.

Remuneration includes a fixed monthly salary and a discretionary bonus. Employees in control functions may not receive bonuses linked to their department's performance.

Key risk-takers pursuant to **BEK no. 1242 of 10/06/2021 § 4 (2)** must be remunerated in compliance with **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 granted 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

The Company discloses total remuneration for the board, management, and employees in its annual report.

Pursuant to **BEK no. 1242 of 10/06/2021 § 23, §109 subsection 6**, the Company must report to the Danish Financial Supervisory Authority by May 1<sup>st</sup> annually. Reporting includes:

- 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.
- Breakdown of responsibilities and business areas
- Identification of key risk takers
- Fixed and variable remuneration details
- Deferred variable salary components and work location

## 10. Control guidelines

The board oversees remuneration of the management and employees in 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

The board is responsible for:

- Implementing and ensuring compliance with the remuneration policy.
- Adapting the remuneration policy as needed, with annual reviews.
- Overseeing remuneration for management and employees with control functions.

The management is responsible for:

- Ensuring compliance and communicating the policy to employees and to the Company's employees.
  - a) Reporting to the board on compliance at least annually.

## 12. Effective Date

This policy was adopted during the board meeting and subsequently ratified at the general meeting on April 10, 2025.