

Remuneration Disclosure (Performance Period Ended 31st January 2025)

Introduction

This Remuneration Disclosure is made by **Cadro Technologies Limited** (“the Firm”) in accordance with **MIFIDPRU 8**. In line with its status as an **FCA-authorised Small Non-Interconnected (“SNI”) MiFID investment firm**, the Firm is required to disclose information on its remuneration policies and practices for the performance period noted above. The purpose of these disclosures is to support market discipline, transparency and sound risk management.

Cadro provides discretionary investment management services to private clients, with all custody and execution outsourced to third-party providers.

1. Summary of the Firm’s Approach to Remuneration

The Firm’s remuneration framework is designed to:

- Encourage and reward appropriate long-term behaviour aligned with the interests of clients and the Firm;
- Promote sound and effective risk management and ensure remuneration does not encourage excessive risk-taking;
- Embed a culture of good conduct, integrity and regulatory compliance;
- Ensure remuneration practices are gender-neutral, fair and consistent with the Firm’s values and long-term objectives; and
- Support the Firm in attracting and retaining appropriately skilled staff.

All employees are within scope of the Firm’s remuneration policy. The Firm does not operate guaranteed variable remuneration, retention awards, buy-outs, carried interest structures or complex incentive arrangements.

2. Objectives of the Firm’s Financial Incentives

The Firm’s financial incentives aim to:

- Align staff interests with delivering sustainable long-term value to clients and the Firm;
- Reinforce prudent risk-taking and adherence to the Firm’s risk management framework;
- Recognise individual contribution, conduct, professionalism and collaboration;
- Support retention of staff with skills essential to service quality and operational resilience.

Variable remuneration, where awarded, is discretionary and dependant on performance. The Firm retains full flexibility to award **zero** variable remuneration.

3. Decision-Making Procedures and Governance

Governing Body Responsibilities

The Firm's board of directors (the "Board") is responsible for the remuneration policy, its oversight and periodic review. The Board ensures the policy complies with the MIFIDPRU Remuneration Code and is proportionate to the Firm's size, complexity and SNI classification.

Remuneration Committee

The Firm has established a Remuneration Committee as a sub-committee of the Board.

The Committee is responsible for:

- Overseeing the Firm's remuneration policies and practices;
- Reviewing and approving individual remuneration outcomes;
- Ensuring remuneration structures are consistent with sound risk management and do not encourage excessive risk-taking;
- Ensuring gender-neutral remuneration in line with regulatory requirements; and
- Identifying and mitigating conflicts of interest relating to remuneration.

The Committee meets at least quarterly and reports to the Board after each meeting.

Use of External Consultants

The Firm has not engaged external remuneration consultants. Independent regulatory advisers (e.g. compliance consultants) may assist in ensuring the policy remains aligned with regulatory requirements, but they do not determine remuneration outcomes.

4. Key Characteristics of the Firm's Remuneration Policies and Practices

4.1 Components of Remuneration

The Firm distinguishes clearly between **fixed** and **variable** remuneration:

- **Fixed Remuneration**
 - Salary and employer pension contributions
 - Reflects the role, responsibilities, skills, and experience of the individual
 - Predetermined, non-discretionary and not performance-related
- **Variable Remuneration**
 - Discretionary bonus
 - Based on Firm, business unit (where applicable) and individual performance
 - May be reduced to zero where conduct or financial performance is unsatisfactory

- Calibrated to ensure that the Firm continues to meet its capital and liquidity requirements

The Firm does not provide discretionary pension benefits, carried interest or complex incentive schemes.

4.2 Performance Assessment Criteria

The Firm assesses performance at **three levels**:

A. Firm-Level Criteria

- Delivery of strategic objectives
- Financial sustainability and long-term profitability
- Strength of governance, controls and risk management
- Quality of client outcomes and adherence to Treating Customers Fairly principles

B. Business-Unit / Team-Level Criteria

Where applicable, the Firm may assess function-specific performance, including:

- Operational efficiency
- Contribution to client service quality and operational resilience
- Compliance with regulatory obligations

C. Individual-Level Criteria

Financial metrics may include:

- Contribution to revenue or growth
- Cost discipline

Non-financial metrics (given greater weight):

- Conduct and compliance with the Firm's policies
- Demonstration of the Firm's values
- Quality of client interactions and client outcomes
- Teamwork, leadership and collaboration
- Risk awareness and adherence to procedures
- Contribution to ESG, diversity and inclusion objectives

Poor conduct automatically overrides good financial performance for remuneration purposes.

4.3 Alignment of Remuneration with the Firm's Risk Profile

- Remuneration arrangements are designed not to incentivise excessive risk-taking.

- The Firm ensures the fixed component is sufficient to allow full discretion to award zero variable remuneration.
- Variable remuneration is considered in the context of the Firm's capital, liquidity and overall risk profile, ensuring payments do not compromise prudential soundness.

5. Quantitative Remuneration Information (for financial year ended 31 January 2025)

The total remuneration awarded to all staff for the period was:

- **Fixed Remuneration:** £1,698,776
- **Variable Remuneration:** £58,270

These figures include all employees and senior management.

6. Proportionality Statement

Given the Firm's size, SNI classification, business model and simple organisational structure, it applies the proportionality principles within the MIFIDPRU Remuneration Code. The Firm therefore does not operate:

- Deferral arrangements
- Clawback provisions
- Malus adjustments
- Complex incentive structures

All remuneration practices remain aligned with regulatory expectations for SNI firms.