

Remuneration Report

Information about remuneration in Capital Four Management Fondsmæglerselskab A/S, Capital Four AIFM A/S, and Capital Four Holding A/S

The Board of Directors of the entities in the Capital Four Group (together “Capital Four”) have adopted a joint remuneration policy (the “Policy”) with the objective to attract, retain, develop, and reward the employees who contribute to the value creation of Capital Four and which ensures that the overall remuneration model is aligned with sound and efficient risk management principles.

The Policy applies to all members of the Board of Directors and the Management Board and all employees within each Company.

The Board of Directors of each Company is responsible for approving and maintaining a Company’s remuneration policy and overseeing its implementation. They meet at least 4 times a year. The Board of Directors must review and verify the Policy on an annual basis at a minimum and must ensure that the Policy is presented to the shareholders for adoption at the annual general meeting.

The Board of Directors determines who are to be considered as a risk taker within each Company.

The Board of Directors of Capital Four Holding A/S has formed a Remuneration Committee (Remco), which consists of members of the Board of Directors of Capital Four Holding A/S. The Remco shall give advice to the relevant Board of Directors and shall not have any individually decision-making capacity.

The Management Board must ensure that the Remuneration Policy is communicated to all relevant employees and, that appropriate internal procedures and controls are in place to ensure the guidelines in the Policy are observed by all Capital Four employees.

The overall objective of the Remuneration Policy is to attract, retain, develop, and reward the employees who contribute to the value creation of Capital Four and thereby support a performance-oriented culture. Capital Four supports a principle of gender equal pay for equal work including gender equal increases and career progression opportunities.

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The objective of the Remuneration Policy is further to ensure alignment of interests of management, employees, the Group, its shareholders and the strategy of each Company. This is amongst other things ensured by having a robust governance structure for setting goals and priorities of a Company and communicating these to all employees.

Principles of remuneration

The total remuneration package for employees in Capital Four consists of several elements and aims at honouring and encouraging a performance that creates value for Capital Four through results as well as behaviour.

The main part of the remuneration package generally consists of fixed remuneration – compensating employees monthly – in the form of a base salary and often with the addition of a pension benefit and one or more non-pay benefits. The remuneration package furthermore consists of the possibility of variable remuneration, primarily through the variable remuneration scheme, however with due respect of the limitations described below. The remuneration components are balanced to ensure a flexible variable remuneration package and sound and efficient risk management including risk management in relation to sustainability risk.

Payment of any variable remuneration is based on the following:

- Various performance criteria which take into account the risks and the performance of each Company, the business unit/department in which the employee is employed, and of the employee. The performance criteria consist of both financial (quantitative) and non-financial (qualitative) performance criteria and are linked to adherence to risk management policy and compliance with internal and external rules, including but not limited to a Company's sustainability related policies and procedures, as well as achievement of strategic goals etc. The relative importance of each level of the performance criteria must be determined up-front and adequately balanced to take into account the position and responsibilities held by the employee.
- Entitlement to any variable remuneration is conditional on the employee not using any personal hedging strategies or insurance to undermine the risk alignment effects embedded in the variable remuneration scheme.
- Payment of variable remuneration is generally based and conditional on an assessment of a Company's financial situation at the time of pay-out and may only be payable to the extent it does not compromise the financial stability of a Company.

Variable remuneration is awarded on a fully discretionary basis except for extraordinary circumstances in connection with the hiring of new employees, but then only for the first year of employment.

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Payment of variable remuneration to management and other risk takers as determined by the Board of Directors is subject to the provisions and limitations in applicable EU legislation on variable remuneration. These limitations include amongst other ceilings in relation to variable remuneration versus fixed remuneration, deferral periods, retention periods for variable remuneration instruments and continuous fulfilment of certain criteria at the expiry of a deferral or retention period.

Variable remuneration paid to risk takers is consequently subject to the following limitations:

The amount of any variable remuneration awarded to an employee considered as risk taker must not exceed a certain percentage (a ceiling). For members of the Management Board, the percentage is 50, for employees in control or monitoring functions, this percentage is 75, and for other employees considered as risk takers, the percentage is 100.

Any variable remuneration awarded to a risk taker consists as a minimum of 50 % of instruments in the form of shares in Capital Four Holding A/S, share-based instruments of Capital Four Holding A/S and/or other instruments approved under the applicable national and EU legislation (i.e. instruments which reflect the creditworthiness of Capital Four). A maximum of 50 % of the variable remuneration award must consist of cash payment.

However, for members of the Management Board, the value of the instruments in the form of warrants, options and similar instruments must not exceed 12,5 % of the total amount of the employee's base salary and any pension benefits for the respective calendar year.

Payment of at least 40 % of any variable remuneration award to an employee must be deferred over a period of five years for members of the Management Board and four years for other risk takers.

However, the deferred part of the employee's variable remuneration award must be 60 % if the amount of the variable remuneration award is equal to or above either DKK 750,000 or this is considered appropriate when considering the impact, the employee can have on the risk profile of Capital Four and the responsibilities and tasks performed by the employee.

On termination of employment severance is paid out in accordance with applicable law.

No employee at Capital Four is entitled to a remuneration of EUR 1 million or more per financial year.

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Remuneration of management

The members of the Board of Directors of Capital Four Holding A/S, Capital Four Management Fondsmæglerselskab A/S and Capital Four AIFM A/S are compensated only with fixed remuneration, if any, and not with any variable remuneration.

The members of the Management Board of Capital Four Holding A/S, Capital Four Management Fondsmæglerselskab A/S and Capital Four AIFM A/S are compensated with a fixed and a variable remuneration subject to the limitations for variable remuneration set out above.

The following members of the Board of Directors or Management Board of Capital Four Holding A/S, Capital Four Management Fondsmæglerselskab A/S and Capital Four AIFM A/S have received remuneration:

Sandro Näf, CEO (No Board of Directors remuneration has been paid by the Companies for 2024).

	01.01.24- 31.12.24	01.01.23- 31.12.23	01.01.22- 31.12.22	01.01.21- 31.12.21	01.01.20- 31.12.20
Amounts in DKK'000					
Board of Management remuneration, fixed	3,901	3,415	4,365	2,612	2,551
Board of Management remuneration, variable	2,174	-	-	-	-
Total	6,075	3,415	4,365	2,612	2,551

Torben Magaard Skødeberg (No Board of Directors remuneration has been paid by the Companies for 2024).

	01.01.24- 31.12.24	01.01.23- 31.12.23	01.01.22- 31.12.22	01.01.21- 31.12.21	01.01.20- 31.12.20
Amounts in DKK'000					
Board of Management remuneration, fixed	3,331	2,865	3,845	2,207	2,168
Board of Management remuneration, variable	1,826	-	-	-	-
Total	5,157	2,865	3,844	2,207	2,153

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Niels Roth, Chairman of the Board

	01.01.25- 31.12.25	01.01.24- 31.12.24	01.01.23- 31.12.23	01.01.22- 31.12.22	01.01.21- 31.12.21	01.01.20- 31.12.20
Amounts in DKK'000						
Directors remuneration, fixed	500	500	500	500	500	500
Directors remuneration, variable	-	-	-	-	-	-
Total	500	500	500	500	500	500

Henrik Østergaard, Board of Director remuneration

	01.01.23- 31.12.23	01.01.22- 31.12.22	01.01.21- 31.12.21	01.01.20- 31.12.20
Amounts in DKK'000				
Directors remuneration, fixed	200	200	150	-
Directors remuneration, variable	-	-	-	-
Total	200	200	150	-

Jonathan DeSimone, Board of Director remuneration

	01.01.25- 31.12.25	01.01.24- 31.12.24
Amounts in DKK'000		
Directors remuneration, fixed	651	1,030
Directors remuneration, variable	-	-
Total	651	1,030