

REMUNERATION POLICY

September 2023

EU Sustainable Finance Disclosure Regulation

Article 5 of the Sustainable Finance Disclosure Regulation (“Regulation” or “SFDR”) requires Asset Managers such as Syntagma Capital to provide insights into the company’s actions and the application of its internal processes to:

- Sustainability risks considerations
- Identification of Principle Adverse Impacts
- Support environmental or social characteristics
- Execute sustainable investments

Syntagma Capital’s Remuneration Policy shall support Syntagma Capital’s ability to recruit, develop and retain highly motivated, competent, and performance-oriented employees and hence support the firm strategy. It has been developed to account for responsibility, transparency, accountability, performance, and motivating and trustworthy culture, while simultaneously considering potential sustainability risks. Private Equity investments are mid- to long-term focused and consider the time horizon of the subsequent owner/shareholders as part of a diligent investment decision. Therefore, the long-term value creation of Syntagma Capital’s business activities shows principal alignment with sustainability, which can also be recognized in our remuneration schemes.

Remuneration of employees and its components

Syntagma Capital believes in a set of compensation tools to align the interests of employees, investors, shareholders, and all other stakeholders. Variable compensation is linked to responsibility and the long-term contribution to the satisfaction of all stakeholders, including:

- Performance of the individual colleague
- Performance of the teams
- Contribution to continuous improvements within the organization
- Contribution to a motivating and trustworthy performance culture

The remuneration is based on the following elements:

- **Fixed annual salary:** It should remunerate for role and position and is impacted by job complexity, responsibility, performance, and local market conditions. There could be additional allowances which is a predetermined fixed remuneration component. Fixed base salary is, however, the cornerstone for all fixed remuneration. Allocations, pension, and insurance provisions are in accordance with local laws, regulations, and market practice either collectively agreed schemes or company determined schemes, or a combination thereof.

- **Variable annual bonus:** They are provided to selected employees considering both qualitative as well as on individual targets and financial results suitable for their position and tasks;
- **Long-term Interest:** It applies mainly to investment professionals and is paid out dependent on mid-to long-term achievements for our stakeholders, creating a high level of alignment. It is Syntagma Capital's belief that especially this Long-term Interest, which takes an average 5-10 years to achieve, strengthens our focus on sustainability.

The compensation packages of investment professionals are subject to the reflections of the partners. It will ensure that employees are offered a competitive and market aligned total reward offering.

Review of the Remuneration Policy

Syntagma Capital's policies are reviewed carefully on an at least annual basis, led by our partners.