

### Integration of sustainability risks in our remuneration policy

Priveq's remuneration to employees aims to promote sound sustainable risk management and discourage excessive risk taking. The compensation to employees (non-partners) consists of both fixed and variable salary, where the variable salary is dependent on sustainability criteria. As sustainability risks are part of our investment process, and also of our evaluation criteria for success, the compensation is naturally influenced by the ESG maturity and performance of Priveq as well as our portfolio companies. Our ESG guidelines for our portfolio companies also include a recommendation to incorporate ESG criteria in their remuneration programs.

The salary is determined on the basis of an annual evaluation with both financial and non-financial criteria. Through our remuneration to our employees Priveq seeks to ensure that a long-term perspective is taken, avoiding a focus on short-term gains. Thus, the assessment which determines the variable remuneration is based on KPIs related to long-term performance. The non-financial criteria include how each of Priveq's employees meets our values, including compliance with our ESG policies, which outlines our processes surrounding management of sustainability-related risks throughout screening, evaluation, investment process and ownership. Additionally, one parameter relates to how the portfolio company which the employee is part of the investment team of, performs connected to Priveq's ESG roadmap and strategy. The roadmap ranges from the company having no ESG processes in place, to having implemented certain steering documents, to working systematically and proactively with ESG and integrating ESG into business strategies. A higher ESG maturity of the portfolio company contributes positively to the evaluation.

Thus, the combination of fixed and variable salary, where the variable salary is based on an assessment including ESG- and long-term perspective KPIs, ensures sound risk management where sustainable values are integrated into decision-making processes.