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Remuneration Policy

EU Sustainable Finance Disclosure Regulation

Article 5 of the Sustainable Finance Disclosure Regulation ("Regulation" or "SFDR") requires Asset Managers such as NORD Holding 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

NORD Holding's Remuneration Policy 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 NORD Holding's business activities shows principal alignment with sustainability, which can also be recognized in our remuneration schemes.

Procedure for determining or adjusting remuneration

NORD Holding 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;
- Variable annual bonus, dependent on individual targets and financial results;
- Long-term Interest

The Long-term Interest 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 NORD Holding'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 a Remuneration Committee ("Personalausschuss"), constituted of representatives of major shareholders.

Of course, when it comes to remuneration, we act in accordance with our SDG goal of "Gender Equality" and the avoidance of a gender pay gap.

Our guidance relating to risk taking

NORD Holding considers sustainability as well as other ESG aspects to be, amongst many others, integral parts of our Due Diligence, risk valuation and as such, our entire investment decision process.

The identification and monitoring of sustainability indicators is of utmost importance as it protects our portfolio, positively impacting performance and consequently remuneration.

Our framework on identifying, monitoring, and measuring sustainability through PAIs and other KPIs is under continuous development, allowing us to finetune necessary elements of sustainability and to maximize our risk-adjusted returns for our stakeholders.

Review

NORD Holding's policies are reviewed carefully on an at least annual basis, led by our ESG team.





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