

## **Remuneration Policy**

CA Immobilien Anlagen Aktiengesellschaft

According to the resolution by the General Meeting on 10 November 2023

# **Remuneration Policy**

for the

## **Management Board**

and the

## **Supervisory Board**

of

# **CA Immobilien Anlagen Aktiengesellschaft ("CA Immo" or "Company")**

### **Disclaimer**

This is a working translation from the German language version and for convenience purposes only. In the event of conflict with the German language version, the German language version shall prevail.

## Inhalt

Summary of the Amendments .....	3
I. Preamble .....	3
II. Remuneration of the Management Board .....	3
1 General principles.....	3
1.1 Determining the remuneration for the Management Board.....	3
1.2 Influence of employee terms of employment on the Remuneration Policy.....	4
2 Remuneration scheme .....	4
2.1 General .....	4
2.2 Fixed remuneration .....	5
2.2.1 Basic salary .....	5
2.2.2 Remuneration in kind .....	5
2.3 Variable remuneration .....	6
2.3.1 Short-Term Incentive (STI).....	7
2.3.2 Long Term Incentive (LTI) .....	8
2.3.3 Bonus payments, special bonus, clawbacks and malus .....	9
2.4 Other benefits .....	10
2.4.1 Payment during incapacity to work.....	10
2.4.2 Benefits to recruit Management Board members .....	10
2.4.3 Offering benefits to retain Management Board members .....	10
3 Duration of employment contracts of Management Board members and regulations in the event of termination.....	11
3.1 Benefits in the event of the death of a serving Management Board member .....	11
3.2 Notice periods .....	11
3.3 Termination of appointment.....	11
3.4 Termination for cause .....	11
3.5 Fate of variable remuneration where employment is otherwise terminated .....	11
3.6 Severance pay.....	12
3.7 Early payment on contract termination.....	12
4 Possible deviations from this Remuneration Policy .....	12
III. Remuneration of the Supervisory Board.....	13
1 Principles of Supervisory Board remuneration .....	13
2 Structure and components of remuneration .....	13
3 Pension plans and other fringe benefits .....	13

This Remuneration Policy dated 29 September 2023 amends and restates the Remuneration Policy dated 25 August 2020. This Remuneration Policy for the Management Board and the Supervisory Board shall apply from the date of its adoption until the 40th Annual General Meeting of CA Immo in 2027, unless at an earlier date, the Supervisory Board requests a resolution for and the General Meeting of CA Immo ("GM") resolves on a revised remuneration policy.

Subject to the approval by the GM, this Remuneration Policy shall apply retroactively from 1 July 2023 ("Inception Date").

## **Summary of the Amendments**

- The remuneration scheme for the Management Board has been renewed in essential parts. It provides for a fixed remuneration and a variable remuneration. The fixed remuneration is divided into a basic salary and a remuneration in kind.
- The variable remuneration shall create an incentive for a long-term positive total shareholder return. The short-term incentive provides for non-financial and financial target attainment factors. The long-term incentive provides for financial target attainment factors.
- Furthermore, the Remuneration Policy was newly structured, in particular, to eliminate repetitions.

## **I. Preamble**

The Remuneration Policy is determined by the Supervisory Board of CA Immo. The Remuneration Committee supports and advises the Supervisory Board on the conception and amendment of the Remuneration Policy. The Remuneration Policy is presented to the GM for resolution at least every four years, or whenever significant changes are made to the Remuneration Policy, whereby the resolution of the GM is advisory and not disputable in line with the Stock Corporation Act. In the event that the GM rejects the proposed Remuneration Policy, the Policy will be reviewed and presented to the subsequent GM with reference to the review.

The Remuneration Policy is compiled by the Remuneration Committee in partnership with those persons within CA Immo responsible for corporate governance and compliance; where necessary, suitable external advisors or the HR department are involved. The Policy is presented at least annually to the Supervisory Board for discussion and decision (complete with the main decision-making criteria and stating the reasons for any changes).

Suggestions regarding the Remuneration Policy or the remuneration report expressed at the GM will be considered by the Remuneration Committee in the course of further reviews, provided they appear appropriate and useful. Where such suggestions are not enacted, reasons will be given.

## **II. Remuneration of the Management Board**

### **1 General principles**

#### **1.1 Determining the remuneration for the Management Board**

The remuneration system for the Management Board is based on performance and profit, whereby criteria for long-term orientation, appropriateness and sustainability are critically important. The system takes the collective and personal performance of Management Board members into consideration.

The remuneration system for Management Board members aims at establishing a competitive pay level combined with a strong performance-based component. The market orientation of the remuneration system is ensured by means of regular external benchmarking and reference to the sector (e.g. European real estate companies) and relevant Austrian industrial businesses. A competitive Remuneration Policy is crucial for CA Immo's long-term success.

Performance-related remuneration, which contains both short-term and long-term elements as well as social, environment and corporate governance issues (ESG issues), takes particular account of the long-term interests of shareholders and stakeholders.

Management Board performance is evaluated according to both financial and non-financial criteria. Special projects forming part of the implementation of corporate strategy are also taken into consideration.

The remuneration rules outlined in this Policy must promote and comply with sound and effective risk management. The remuneration rules do not endorse the taking of risks that are incompatible with the risk strategy of CA Immo.

The Remuneration Policy must accord with the aims of business and risk strategy, the corporate culture and values of CA Immo, long-term interests and measures enacted with a view to preventing conflicts of interest. All secondary activities of Management Board members must be approved by the Supervisory Board.

## 1.2 Influence of employee terms of employment on the Remuneration Policy

Remuneration and employment conditions for Company employees influence the Remuneration Policy as follows:

- The remuneration system for the Management Board, and in particular the split into fixed and variable remuneration components and the basic requirement of positive EBITDA for variable remuneration, comply with the remuneration system for employees of CA Immo. However, the arrangement for employees (type and proportionate amount of variable remuneration, etc) differs from that applied to Management Board members and depends on the position, role and duties of the particular employee.
- The strategic corporate objectives used for the variable remuneration of Management Board members are also applied as performance criteria for the variable remuneration of individual business areas and their employees (according to duties and position).
- Moreover, the remuneration and employment conditions for employees will be incorporated into the Remuneration Policy to the extent that variable remuneration for the Management Board will depend in part on strategic corporate goals, which may also include terms of employment.
- The company car policy applicable to all employees will also be applied to Management Board members.
- The regulations for all staff governing business travel and expense claims are also applied to business trips made by the Management Board.
- The personal insurance policies concluded for all employees (and especially accident insurance) will be identical to those for Management Board members, although the sums insured will be higher in the event of a claim.
- Otherwise, the remuneration and employment conditions for employees do not influence the Remuneration Policy for the Management Board. In particular, annual salary increases for employees do not influence Management Board remuneration; the fixed remuneration for Management Board members remains constant for the duration of the contract term.

## 2 Remuneration scheme

### 2.1 General

Members of the Management Board are employed under local, Austrian conditions. Employment contracts are concluded with CA Immobilien Anlagen Aktiengesellschaft, Vienna, and subject to Austrian law. Salaries are defined in euros (gross).

The remuneration package for individual Management Board members comprises a fixed remuneration (basic salary, remuneration in kind), a short-term incentive (annual cash bonus) as well as a long-term incentive (LTI) and may also include other forms of share-based compensation, such as share grants and share options.

Remuneration scheme	Remuneration elements
Fixed remuneration	Basic salary Remuneration in kind
Variable remuneration Short-Term Incentive	Target attainment factors (Non-financial and financial)
Variable remuneration Long-Term Incentive	Target attainment factors (Financial)

Figure 1: Remuneration scheme

## 2.2 Fixed remuneration

The level of fixed remuneration depends on spheres of competence as determined in the schedule of responsibilities.

No separate payment is made for accepting mandates in Group companies.

The proportion of fixed remuneration in overall remuneration must be high enough to enable financial independence at individual level with regard to the payment or non-payment of a variable remuneration component. Among other things, fixed remuneration serves to attract the best qualified managers from the real estate sector or a similar sector (e.g. financial/banking/investment sectors), and to retain and motivate managers who will manage the Company in the best interests of shareholders.

The fixed remuneration (basic salary, remuneration in kind) supports the long-term development of the Company, especially with regard to the recruitment process and retaining Management Board members. The fixed remuneration must be competitive in respect of the external market.

First and foremost, the fixed remuneration rewards the fundamental acceptance of a Management Board mandate and the general responsibility of individual Management Board members. The fixed remuneration also reflects the value of the respective position, expertise, experience and status on the market.

Moreover, fixed remuneration ensures that Management Board members have an interest in the development of the Company that is unconnected with the targets defined by the Supervisory Board or its Remuneration Committee, and that they are duly prepared to make decisions with no (direct) influence on variable remuneration whenever necessary. Furthermore, fixed remuneration reflects the market value of every member of the Management Board, which duly influences acceptance on the market and promotes the long-term development of the Company.

### 2.2.1 Basic salary

The basic salary is generally paid in advance in 14 equal monthly payments as a non-performance-related component, whereby the 13<sup>th</sup> and 14<sup>th</sup> instalments are paid together with the monthly payments for June and November. The level of basic salary is determined by respective qualifications (according to the schedule of responsibilities), the business situation and the prospects of CA Immo as well as the national and international standards of the real estate sector. Before a new contract is concluded, the appropriateness of the basic salary is evaluated and assessed by the Remuneration Committee.

### 2.2.2 Remuneration in kind

In line with individual regulations in employment contracts, Management Board members receive fringe benefits in the form of remuneration in kind (company car, company accommodation, travel expenses, etc.) along with other benefits as described below. Any remuneration in kind granted must correspond to the position of the Management Board member, taking account of cost-effectiveness and appropriateness as well as public image. These other benefits (excluding insurance and pension contributions) shall not represent more than 15% of the basic salary of each Management Board member, with exceptions allowed in special circumstances.

Management Board members are responsible for the payment of all taxes and deductions on the value of non-monetary benefits for private use.

#### Travel expenses

Business trips outside of the place of employment are reimbursed in line with the Company's applicable travel cost guidelines.

#### Work equipment

In common with employees of CA Immo, Management Board members are entitled to make private use of supplied work equipment (telephone, tablet, laptop, company car, etc.) under the terms of applicable internal guidelines, without incurring additional costs as a result.

#### Pension scheme contributions

Provision can be made for the Company to pay an agreed amount of an appropriate percentage of the annual basic salary into a defined contribution plan chosen by the Management Board member. The actual level of the Company pension depends on the level of capital available in the pension fund. Retirement depends on the approved business plan for the pension fund. For all Management Board members, the pensionable age is the legal retirement age in Austria. Ongoing payments into the pension fund cease upon termination of an employment contract.

The right to draw retirement pension arises by reaching the earliest legal age, in which female employees are entitled to a social-security-related statutory retirement pension, if the employment relationship is terminated. For this, it makes no difference whether the employer or the prospective beneficiary terminates the employment relationship.

#### Insurance

For the duration of their tenure, Management Board members are insured against accident under the usual conditions of an Austrian insurance scheme, with the Company meeting the costs thereof; coverage is both occupational and private, with the Management Board members and their inheritors (beneficiaries).

The Company also bears the costs of Group-wide D&O (directors and officers) insurance, which also covers Management Board members.

In view of the general premium payment for all insured persons, there is no specific assignment of premium payments to Management Board members.

## 2.3 Variable remuneration

The variable remuneration shall consist of two elements:

- The short-term incentive linked to (i) non-financial performance criteria as well as (ii) financial performance criteria with a single-year performance period; and
- The long-term incentive in the form of performance share units involving a five-year vesting period and a payout linked to the total shareholder return at the end of the vesting period. The long-term incentive is part of the CA Immo long-term incentive remuneration programme ("LTI") that applies to Management Board members as well as to selected key employees of the Company.

The combination of variable short-term and long-term compensation schemes creates an incentive for the Management Board to achieve a balanced relationship between short-term and long-term interests.

### 2.3.1 Short-Term Incentive (STI)

The short-term incentive is linked to long-term operational as well as quality-based targets and takes account of both financial and non-financial performance criteria. As financial indicators demonstrate the operational success of the property business, these indicators are preceded by a series of other non-financial performance indicators, which are key to measuring and managing the operational business. Ultimately, both financial and non-financial performance criteria are applied to variable remuneration in line with financial indicators to be attained.

The short-term incentive per Management Board member (annual cash bonus) is limited with 125% of the Management Board member's basic salary.

The main non-financial performance criteria directly impacting the financial indicators may include:

- The occupancy rate which reflects the quality of the portfolio and the Company's success in managing it;
- The quality of locations and infrastructure which are critical to the marketability of properties;
- Sustainability certifications which affirm the quality of the portfolio in sustainability terms and which makes a major contribution to the effective management and marketability of properties;
- Local market knowledge guaranteeing efficient management and tenant retention;
- Sustainability issues and performance indicators linked to the environment, social affairs and corporate governance (e.g. ESG reporting); and
- Further, issues of personnel, strategic, technical, organizational and operational development.

The main financial indicators may include the following KPIs:

- Return on equity (ROE);
- Growth of net asset value (NAV) per share; and
- Total shareholder return (TSR) including dividend payments.

For the short-term incentive, targets (performance criteria) are agreed at the start of every business year, with the attainment level measured at the end of that year. The performance criteria are determined by the specific non-financial performance criteria (as set out above) as well as financial indicators (as set out above) and the attainment of the strategy-related and operational corporate goals (e.g. portfolio optimization by selling a certain number of non-core assets, etc.), also determined annually by the Remuneration Committee.

The targets, the value as well as the weighting of certain indicators for the respective business year shall be determined by the Remuneration Committee by 31 March of each calendar year at the latest, considering safeguarding the core business and ensuring alignment with the strategic targets of the Company.

The level of the short-term incentive actually paid depends on the degree of target attainment (0%-100%). The values agreed and actually achieved at the end of each business year are compared and confirmed by the Remuneration Committee after verification by the Company appointed auditor. These target indicators can be graded in such a way that partial fulfilment of the various criteria (and thus partial fulfilment of the relevant performance criteria) is possible. Between the different grades of achievements, a linear interpolation takes place.

The short-term incentive is paid to the Management Board member as an immediate, short-term incentive payment directly (i.e. by 31 May following the end of the business year).

### 2.3.2 Long Term Incentive (LTI)

The long-term incentive (LTI) is designed to provide incentives for Management Board members as well as selected key employees of the Company. The underlying objective of the LTI is to align the interests of Management Board and key employees with those of the Company's shareholders and to create an incentive for a long-term positive total shareholder return (TSR).

Key elements for the LTI starting as of business year 2023:

Term: The term of the LTI is five years from the Inception Date.

Units: Performance Share Units (PSU) are allocated to participants of the LTI representing a share of the potential profit share volume of the programme.

Volume: The overall profit share volume of the LTI is EUR 50 million for all participants.

Allocation: The total number of PSU allocated to a Management Board member is determined by the Remuneration Committee. The residual PSU for selected key employees of the Company is allocated by the Management Board based on principles which are to be approved by the Remuneration Committee.

Inception Date: The inception date for the LTI is 1 July 2023 ("Inception Date").

Vesting: One third of the PSU vests equally on the third, fourth, and fifth anniversary of the Inception Date.

Accelerated Vesting: An accelerated vesting shall occur in the following events:

1. An accelerated vesting equal to one third of the total PSU shall occur once EUR 10.00 per share of aggregated dividend distributions has been reached from Inception Date and thereafter up to 3.3% of the total number of PSU shall vest for each additional EUR 1.00 dividend distribution per share. Share buybacks shall be considered equally to dividend distributions. In the event of accelerated vesting due to minimum distribution thresholds being reached, all future unvested PSU will be reduced proportionally.
2. An accelerated vesting equal to the remaining PSU irrespective of the remaining vesting period shall occur, if
  - (i) SOF-11 Klimt CAI S.á r.l., or any other shareholder, directly or indirectly succeeding SOF-11 Klimt CAI S.á r.l. as the controlling shareholder, no longer holds more than 10% of the Company's issued share capital or at least three of the four golden shares ("Sell Down Event") or
  - (ii) a sell-out period pursuant to section 19 para 3 Austrian Takeover Act has ended ("Offer Event") or
  - (iii) the Company was subject to a corporate reorganization measure (*Umgründungsmaßnahme*) or any other type of merger ("Corporate Event") or
  - (iv) SOF-11 Klimt CAI S.á r.l., or any other controlling shareholder directly or indirectly succeeding SOF-11 Klimt CAI S.á r.l., was subject to a reorganization within the Starwood Capital Group in course of which the investor base in the Company has changed significantly ("SCG Event");

each of (i) to (iv) a "Loss of Control Event").

In order to be eligible for the accelerated vesting due to a Loss of Control Event, the respective Management Board member and key employees of the Company shall agree to a minimum further employment period of 12 months following such Loss of Control Event.

Loss of Control Event Exercise Right: In a Loss of Control Event, each Management Board member and each key employee participating in the LTI shall have the right, at their full discretion, (i) within 4 weeks after notification of the Loss of Control Event, and provided that the respective minimum employment period is 12 months to exercise the termination of the LTI and, (ii) if the termination of the LTI was not exercised in a Loss of Control Event, to exercise the termination of the LTI pursuant to (i) in any following Loss of Control Event. Upon exercise of the termination of the LTI, the PSU profit share payout shall be calculated accordingly.

Starting Reference Share Price: The starting reference price per PSU shall be the 6-months volume-weighted average share price at the Vienna Stock Exchange ISIN AT0000641352, with VWAP as defined by Bloomberg as the trading benchmark calculated by dividing the total trading volume (sum of price/price times trading volume) by the total volume (sum of trading volumes), including each qualifying transaction ("6m-VWAP") at the Inception Day.



Exit Reference Share Price: The exit reference price per PSU shall be the 6m-VWAP preceding the end of the 5-year programme.

Loss of Control Reference Share Price: In a Loss of Control Event the exit reference share price per PSU shall be:

- a) In a Sell Down Event or SCG Event, the 6m-VWAP preceding the Sell Down Event or SCG Event respectively;
- b) In an Offer Event, the offer price (as adjusted to a post-offer transaction, if any) per share paid by the offer or;
- c) In a Corporate Event, the higher of (i) the 6m-VWAP preceding the effectiveness of such Corporate Event or (ii) the proportional value per share based on the valuation underlying the Corporate Event.

Hurdle Rate: The minimum total shareholder return (TSR) hurdle rate required for profit share payout under the CAI-LTIP is 9% p.a., considering all dividends distributed to shareholders during the term of the programme.

Profit Share: The profit share per PSU attributable to the holder of the PSU is 10% of the excess shareholder profits above the Hurdle Rate, as determined by the Company appointed auditor.

### 2.3.3 Bonus payments, special bonus, clawbacks and malus

Exceptional performance of a Management Board member in a financial year that is not fully reflected in the short-term incentive may, at the discretion of the Supervisory Board, result in the granting of a special bonus. Exceptional performance may include inter alia significant M&A or portfolio transactions or set up and implementation of a major project with relevant volume and strategic impact and importance outside of regular business planning. The special bonus is limited to a maximum of 400% of the basic salary amount.

Regardless of the general principles of civil and labour law, variable remuneration (STI and LTI) is only awarded where this is sustainable in the light of the Company's financial situation and justified on the basis of the proven performance of the affected person; otherwise, variable remuneration will be withheld or reduced (malus).

In the event of poor or negative performance by the Company, variable remuneration (STI and LTI) will be significantly reduced; where EBITDA is negative, it will be waived entirely (malus).

Variable remuneration may not be rendered in the form of vehicles or by applying methods that enable applicable legal regulations to be circumvented.

According to the provisions of liability law, wrongfully paid amounts may be reclaimed where, for instance, a Management Board member commits fraud, falsely claims the fulfilment of performance criteria or is dismissed without notice, and where any damage under liability law is incurred owing to the actions of a Management Board member.

Appropriate provisions are foreseen in Management Board contracts, according to which the value of all or part of variable remuneration (STI and LTI) so far unpaid may be reduced by means of an ex-post adjustment (penalty). Management Board contracts shall also contain an agreement under which CA Immo is able to reclaim variable remuneration (STI and LTI) components already paid and refrain from paying as yet unpaid variable remuneration components (clawback) including but not limited to the following circumstances:

- Initiation of criminal proceedings;
- The existence of a final conviction;
- Confirmation by the auditor that there is reason to believe that misleading information has influenced or could have influenced the determination of targets achievement; or
- Actual existence for reason of dismissal.

The decision as to whether circumstances have arisen and whether to reclaim or withhold payments is made by the Supervisory Board.

Irrespective of the aforementioned performance criteria being met, Management Board members may not receive the annual short-term incentive or only a partial annual short-term incentive for the business year in question where certain significant and exceptional special negative effects occur, including in particular from:

- Major acquisitions or sales of business units or Company assets;
- Litigation or settlement agreements; amendments to tax law, accounting principles or other regulations impacting the financial result;
- Major reorganization or restructuring measures;
- Other exceptional expenditure; or
- Significant changes to key variables (exchange/interest rates, valuations, etc.) resulting in a financial crisis for the Company.

In this case, the variable remuneration outlined above is at the sole discretion of the Supervisory Board, which must give reasons for its decision.

## 2.4 Other benefits

### 2.4.1 Payment during incapacity to work

Where a Management Board member is unable to work owing to illness or accident, the Company will continue to pay the Management Board member proportionate fixed remuneration for a maximum period of six months in the full amount, and in the amount of 49% for a further three months, unless the employment contract terminates beforehand.

### 2.4.2 Benefits to recruit Management Board members

In certain cases, it can be necessary to pledge certain benefits to a potential Management Board member (i.e. alongside the remuneration offered) to ensure a vacancy is filled. These may include covering relocation costs, meeting the costs of staying in a hotel at the new workplace, assisting with their residential situation (concluding a rental agreement or buying a property). Such benefits, which are individually agreed, must be clearly restricted in employment contracts, either as a percentage proportion of the fixed remuneration for the relevant Management Board member, in terms of amount or in another way.<sup>1</sup>

Sign-on bonuses, which must be approved by the Supervisory Board, are only payable in the first year of the appointment and presuppose that the Company has appropriately sound liquidity. They can only be granted under the condition that significant parts of bonus payments from the former employer of the Management Board candidate are cancelled or reduced due to the job changeover.

### 2.4.3 Offering benefits to retain Management Board members

In specific cases, it may be necessary to pledge additional benefits alongside the stated remuneration so that an existing Management Board member will agree to extend their mandate or decline to exercise a right of termination. Such benefits required to retain a Management Board member may not exceed 150% of the current basic salary for the Management Board member in question.

These benefits may only be assured where at least one of the following reasons applies:

- A personnel change in the Management Board is impractical or inopportune given the challenging situation facing the Group;
- Despite long-term succession planning, filling the position as appropriate is not possible at the specific time.

---

<sup>1</sup> For example, number of overnight stays in a hotel of a certain category, number of flights from the employee's home city in a certain class.

### **3 Duration of employment contracts of Management Board members and regulations in the event of termination**

The contract terms must correspond to the duration of the appointment of Management Board members and to the maximum legally permissible duration. Where a Management Board member accepts reappointment before their term of office ends, the employment contract shall be automatically extended for the duration of the new appointment.

#### **3.1 Benefits in the event of the death of a serving Management Board member**

In the event of the death of a Management Board member with a current employment contract, the full current remuneration may be paid to a spouse/registered partner and/or under-age children (jointly or proportionately) for a period of up to six months (including variable remuneration due for the period). Outstanding payments from variable remuneration will also be paid to inheritors.

#### **3.2 Notice periods**

Management Board contracts do not provide for regular termination and/or probation periods. Such an agreement would contradict the basic principle of contracts generally concluded for the duration of appointments, which cannot be terminated in the usual way. This is also in the interests of shareholders, as otherwise the ensuing insecurity for the Management Board and the Company as a whole would jeopardize the long-term strategic direction of the Company.

#### **3.3 Termination of appointment**

Where a Management Board member is not reappointed before their term of office ends, the employment contract shall terminate, by agreement, on expiry of the agreed contract term (termination of appointment).

#### **3.4 Termination for cause**

Contracts do not provide for ordinary notice of termination outside of the agreed term. However, the employment contract of a Management Board member shall terminate with dismissal for good cause for which the Management Board member is responsible (Sec 75 subsection 4 Stock Corporation Act). Where the Company prematurely terminates the employment contract of a Management Board member without good reason under the terms of Sec 27 of the Salaried Employees Act, the Management Board member shall retain all entitlements based on the employment contract (including variable remuneration) for a duration of 24 months, but not beyond the expiry of their term of office.

#### **3.5 Fate of variable remuneration where employment is otherwise terminated**

In the following cases, the Supervisory Board may authorize full payment of the variable remuneration component to a Management Board member for the business year in question despite the employment of the Management Board being terminated:

- Reaching the regular retirement age;
- Retirement owing to serious illness for which the Management Board member is not responsible (incapacity);
- Serious illness for which the Management Board member is not responsible;
- Justified premature resignation of the Management Board member for good cause;
- Death of the Management Board member; or
- Where the Supervisory Board omits to reappoint a Management Board member without good reason.

The Management Board member shall receive no short-term incentive or only a partial short-term incentive for the respective business year where

- he/she resign prematurely as a Management Board member without good reason; or
- he/she is dismissed from the Management Board prematurely.

A Management Board member shall have no entitlement to short-term incentive in the respective business year where his/her appointment is not extended by the Supervisory Board for reasons that are responsibility of the Management Board member, and in particular where reasons apply under the terms of Sec 27 of the Salaried Employees Act.

### 3.6 Severance pay

It may be agreed that where an employment contract terminates, a Management Board member is entitled to a severance payment amounting to one monthly salary (one twelfth of the annual basic salary) per year of service completed; this payment must not exceed one year's basic salary, however.

There is no entitlement to this severance payment where the Management Board member

- is dismissed by the Supervisory Board owing to negligent breach of duty under the terms of Sec 75 subsection 4 of the Stock Corporation Act;
- resigns prematurely without good cause; or
- rejects the offer of reappointment and extension of the employment contract under identical or improved conditions without reason.

### 3.7 Early payment on contract termination

In the event of premature contract termination, a Management Board member no longer influences the long-term development of the Company. In such cases, depending on the reason for the early contract termination, it may be necessary to render payments due to a Management Board member early in the course of what is often mutually agreed termination in practice. This applies in particular to long-term variable remuneration outstanding from previous business years. The Company may only agree to premature payment under the condition that the Management Board member resigns early for a reason not of their own making.

Where a Management Board member contract is rescinded prematurely, the Remuneration Committee must endeavor to restrict the level of early payments.

Where a Management Board member resigns their mandate early, for whatever reason, payments to the Management Board member may not exceed the value of two year's total remuneration payments (compensation cap) and may not exceed the value of remuneration for the remaining term of the employment contract. Total remuneration for the past business year and (where applicable) the expected total remuneration for the current business year must be taken into account in calculating the compensation cap.

## 4 Possible deviations from this Remuneration Policy

Temporary deviation from the Remuneration Policy is permissible where necessary to serve the long-term interests and general viability of the Company.

Diverging from the Remuneration Policy is thus permitted where an urgent and unforeseeable need arises, *inter alia* to fill a (new) vacancy and the Remuneration Policy makes this impossible (or impossible within the required time, or impossible to appoint a person suitable for the respective position and the duties it entails).

### **III. Remuneration of the Supervisory Board**

#### **1 Principles of Supervisory Board remuneration**

Supervisory Board remuneration complies with the Articles of Association of CA Immo and the Stock Corporation Act. The structure of Supervisory Board remuneration is regularly reviewed to ensure compliance with Austrian, European and international corporate governance recommendations and provisions. The appropriateness of the remuneration level is evaluated at regular intervals on the basis of regional and sector-specific benchmark studies.

The level of total remuneration reflects the responsibility and complexity of the duties of Supervisory Board members as well as the business and financial situation of the Company.

Remuneration takes account of the individual roles and responsibilities of Supervisory Board members, including acting as (Deputy) Chairperson of the Supervisory Board; attendance fees are paid for accepting committee mandates.

Supervisory Board remuneration is structured so as to facilitate appropriate oversight of the Management Board as well as independent decision-making on Supervisory Board staffing and pay.

#### **2 Structure and components of remuneration**

The structure of Supervisory Board remuneration is determined annually by the GM and regulated in the Articles of Association of CA Immo. Remuneration is solely on a fixed basis.

##### Fixed annual remuneration

Supervisory Board members are remunerated in the form of a fixed cash amount. Payments are rendered once a year in arrears following resolution by the GM.

The chairperson of the Supervisory Board receives double that amount, with the deputy chairperson paid one and a half times the fixed fee. Where a member joins or steps down from the Supervisory Board during the year, remuneration is paid pro rata in line with the Articles of Association.

Employee representatives perform their Supervisory Board mandates on a voluntary basis and therefore only receive their cash expenses for activities related to the mandate. Members and chairpersons of committees do not receive additional remuneration for committee roles.

##### Attendance fees and reimbursement of expenses

In addition to their basic pay, Supervisory Board members receive an appropriate attendance fee for every Supervisory Board and committee meeting they attend.

Moreover, appropriate expenses incurred in the course of Supervisory Board activity (including applicable VAT) are reimbursed to members.

#### **3 Pension plans and other fringe benefits**

No loans or advances are paid to Supervisory Board members on principle.

The Company also bears the costs of Group-wide D&O (directors and officers) insurance, which also covers Supervisory Board members.

\*\*\*\*\*