

## Remuneration System

J&T INVESTIČNÍ SPOLEČNOST, a.s. (hereinafter referred to as the “Company”) has introduced and applies the rules for the remuneration of employees and officers in accordance with Decree No. 244/2013 Coll., on further regulation of certain rules of the Act on Investment Companies and Investment Funds.

The Company applies the policies and procedures of the remuneration system in a manner and to an extent that takes into account the size and organizational structure of the manager and the nature, scope and complexity of the activities of the investment fund or foreign investment fund manager.

These remuneration policies and procedures apply to the Company as a whole, in its activities as a manager of investment funds and foreign investment funds. These remuneration policies and procedures are available on the Company’s website [www.jtis.cz](http://www.jtis.cz) and will also be made available by the Company at no charge in paper form on request. A hard copy of these remuneration policies and procedures may also be obtained from the Company’s client center at Sokolovská 700/113a, Prague 8, 186 00.

The Company’s remuneration policies and procedures are designed to

1. promote and be consistent with sound and effective risk management,
2. not encourage risk-taking beyond the risk profile of the investment fund manager or foreign investment fund, in particular with regard to the rules or the articles of association of the managed investment fund or a comparable document of a foreign investment fund,
3. be consistent with the business strategy, goals, values and interests of the investment fund or foreign investment fund manager or the fund,
4. include procedures to avoid conflicts of interest related to remuneration,
5. ensure that remuneration of all employees is gender-neutral, i.e. employees, irrespective of their gender, are remunerated equally for the same work, i.e. depending on their expertise, experience and quality of work, and, where appropriate, based on performance (all in accordance with Article 3(1)(65) of Directive 2013/36/EU and Article 157 TFEU).

The policies and procedures applied within the remuneration system are primarily based on the transparency and predictability, compliance with regulatory requirements and fairness. Specific remuneration policies and practices are applied in a manner commensurate with the degree of influence of individual selected individuals on the overall risk profile of the Company and on selected employees in supervisory functions.

The Company has not established its own Remuneration Committee, but its powers are exercised for the Company by the Remuneration Committee of J&T FINANCE GROUP SE.

The remuneration policies and procedures are reviewed by Internal Audit on an annual basis and presented to the Remuneration Committee. The assessment period is the calendar year and individual employees are assessed no less than twice a year, in November and April.

**The remuneration system policies and procedures apply to individual functions and positions of employees and officers:**

### **Board of Directors and Supervisory Board**

The remuneration of the members of the Board of Directors consists of a fixed and a variable component, with the fixed component being paid each month and the variable component being paid in the form of annual bonuses. The fixed component is subject to each member’s professional experience, expertise and responsibility, reflecting the market situation in terms of remuneration for the given position.

The variable component is a discretionary portion of the remuneration, paid after evaluation of the set KPIs. Principles governing remuneration of the members of the Board of Directors are approved by the Supervisory Board and the shareholders at the General Meeting on the proposal of the Remuneration Committee, provided that the variable remuneration component does not usually exceed 100 % of the fixed remuneration component. The amount of the variable component of remuneration is proposed for each calendar year by the Remuneration Committee, which then assesses the achievement of the goals and proposes the amount of variable remuneration to be awarded for the period. Variable remuneration is subject to rules for deferred bonuses.

Members of the Supervisory Board are only entitled to fixed remuneration based on the Supervisory Board member's service contract. Following a thorough assessment, the Company decided to classify the members of the Board of Directors and Supervisory Board as employees with a significant impact on the overall risk profile of the Company.

### **Company employees**

#### ***Fixed remuneration component***

The amount of the fixed component of the employees' remuneration is determined on the basis of key skills, professional experience, responsibilities of the employee's function and taking into account the salaries of other entities in the financial and banking market in the Czech Republic.

#### ***Variable remuneration component***

Employees are not contractually entitled to variable remuneration component. The variable remuneration component is tied to Company-wide goals (company bonus), to the achievement of individual goals (personal bonus) and, to a limited extent, to the contribution to the goals of the employee's department (department bonus). The Company sets the ratios of the company, department and personal bonus for individual positions in the total budget for this type of remuneration. The total budget for this type of remuneration is set as a multiple of the monthly salaries for each position. The multiple of salaries for each position is determined each calendar year by the Company's governing body.

The criteria evaluated include, without limitation, qualitative and quantitative performance evaluation, implementation of the Company's performance strategy, risk management and work development indicators. Due to the combination of the different levels of criteria, if the set goals are not met (including goals related to the degree of risk to which the Company is exposed), only a part of the variable component will be awarded or will not be awarded at all.

#### **The amount and method of payment of the variable remuneration is determined in accordance with the following rules:**

1. **„Company goals“** Performance goals are set annually and are closely linked to the Company's strategic plan. The Remuneration Committee annually approves their achievement based on audited data and proposes the amount of remuneration for the period under review. Company goals represent profit goals (weighting of 30 %), regulatory and strategic goals (45 %) and risk factors (25 %). Company goals are weighted between 25 % and 70 % for individual employees to determine the amount of total variable remuneration, depending on their function and position within the Company.
2. **„Department and personal goals“** Goals are set as proposed by line managers for each calendar year. Goals may be set in the form of individual tasks, projects, activities or any other objectives or conduct. These goals are both quantitative and qualitative and are set according to the priorities of the department for which the manager is responsible. Department and personal goals also include the obligation to comply with prudent risk management rules of the Company within the accepted degree of risk and to act in accordance with the Company's strategy, goals, values and long-term interests.
3. **„K.O. criteria“** The Company has set out conditions for the award of the Company bonus and the payment of a variable deferred portion of remuneration. In the event that one or more of the following criteria are not met, the company bonus will not be granted and the variable deferred portion of the remuneration will be pushed back:
  - withdrawal of an investment firm's authorization for breach of regulatory obligations,
  - erasure of the investment fund from the list maintained by the Czech National Bank due to a breach of regulatory obligations,
  - if the issuance or redemption of units or investment shares is suspended for any of the administered funds.

#### **Rules for determining variable component of remuneration for selected groups of employees**

1. **Employees with a significant impact on the overall risk profile of the Company** (in terms of both qualitative and quantitative criteria). For these employees, the payment of variable remuneration is deferred if their variable remuneration is higher than EUR 50 thousand and represents more than one third of their total annual remuneration. The variable component is divided into halves, which are paid in cash and in non-cash form. The cash component is paid such that 60 % of the remuneration is paid immediately after the employee has completed the evaluation process and the bonus has been granted. The remaining 40 % is deferred over the following five years on an 8 %-8 %-8 %-8 %-8 % basis. The non-cash part is split into 60 %, vesting after the first year, and 40 % vesting over the following four years on a pro-rata basis (10 % each year). The Company has the right to withhold these deferred bonuses for objective reasons.

#### **2. Employees in internal supervisory functions**

The variable component is determined independently of the performance of the supervised departments, based solely on the goals set for the supervisory function. The remuneration policy for employees in the risk management function, the internal audit function and the compliance function is under the direct supervision of the Remuneration Committee and the Supervisory Board.

The Company has not set performance bonuses and therefore does not measure performance in relation to remuneration.

The Company does not pay variable remuneration in instruments or in a form that would allow circumvention of regulatory requirements. No investment fund managed by the Company pays remuneration directly to any employees.

The Company does not provide superannuation contributions or other special pension benefits.

The Company does not award variable remuneration components that are guaranteed.

The Company declares that the members of the administrative, management and supervisory bodies of the Company and the investment funds managed by the Company are not entitled to any special termination packages.

In Prague, on 21 June 2023

**Ing. Tomáš Martinec,**  
Chairman of the Board of Directors  
J&T INVESTIČNÍ SPOLEČNOSTI, a.s.