

## **REMUNERATION POLICY FOR CEMAT A/S (COMPANY REG. NO 24932818)**

In accordance with the Danish Companies Act sections 139 og 139a the Board of Directors of Cemat A/S ("Cemat") has adopted this policy relating to remuneration of members of Cemat's Board of Directors and Management Board ("Management") ("Remuneration Policy"). The Remuneration Policy includes any remuneration paid to Management or any direct or indirect companies controlled by Management, when such remuneration is paid by Cemat or Cemats subsidiaries as payment for e.g. consultancy services or other services. Management Board means the management registered as such with the Danish Business Authority.

### **Objective**

The objective of the Remuneration Policy is to encourage value creation in Cemat by implementing Cemat's business strategy and sustainability and to ensure joint interest between the Management, Cemat and its shareholders in implementing the long-term interests and objectives of the company.

In addition, the objective of the remuneration policy is to attract, motivate and retain the best and most competent members of the Management with competitive remuneration.

Management remuneration must reflect the long-term value creation and sustainability for Cemat and must be fair in relation to Management's independent performance, responsibilities and value creation for Cemat.

### **Remuneration components**

Unless otherwise provided for in the legislation in force from time to time, Management may receive the following remuneration components:

- Fixed pay
- Performance-related/variable pay
- Other benefits

The above-mentioned remuneration components ensure Cemat the flexibility and competitiveness in relation to Management's remuneration which is required to attract and retain the best and most qualified persons. Historically, Cemat has used and maintained these remuneration components because they reflect the remuneration components offered by Cemat's peers and because they ensure the possibility of always being able to offer a flexible and balanced remuneration.

### **Remuneration structure for the Board of Directors**

Proposals regarding the remuneration of the Board of Directors for the relevant financial year must be included in the notice to convene the annual general meeting and must be proposed by the Board of Directors. When preparing the remuneration proposal, the Board of Directors must consider market standard, including the scope and character of the work performed and the qualifications of the individual board member.

The Board of Director's remuneration is fixed and includes no variable element. The Chairman receives a basic fee x 2.5, the Deputy Chairman receives a basic fee x 1.75. The Chairman, the Deputy Chairman and members of the audit committee may receive an additional fee for their services in addition to the basic board fee. The Board of Directors' remuneration does not include share option or warrant programmes.

### **Remuneration structure for the Management Board**

The Board of Director's determines the remuneration of the Management Board to support the objective of the Remuneration Policy in the best possible way.

The remuneration of the Management Board must contribute to Cemat's business strategy, long-term interests and sustainability through application of relevant short and long-term performance targets. The remuneration of the Management Board must motivate both a positive short-term and long-term development of the company.

The Management Board receives a fixed annual fee determined by the Board of Directors. The remuneration is based on market standard, including the scope and character of the work performed and the qualifications of the individual member of the Management Board.

Finally, the Management receives a contribution to a company car, telephone and internet.

### Performance-based cash bonus programmes

Cash bonus programmes may consist of an annual bonus to be granted to a member of the Management Board if specific targets for the company and possible personal targets for the actual financial year are met.

Cash bonus can also be granted to support the achievement of long-term goals and can be granted when long-term goals are reached. The bonus can be awarded as a variable cash bonus when predetermined goals are reached.

Bonus payments are only relevant when conditions and targets are met wholly or partly (as agreed from time to time). If no targets are met, no bonus is paid out. The targets for the Management Board is determined by the Board of Directors.

In certain situations other bonus programmes may be established. Those programmes will typically be established to enter into force following a specific event. Subject to the limitations under Danish law certain events may be i.e. the acquisition of control in a company, closing of a takeover offer or other material transactions or targets.

### Terms

Members of the Management Board are employed on open-ended contracts.

Cemat may terminate a member of the Management Board with a 3 months' notice and a member of the Management Board may resign with a 3 months' notice.

### Deviation

The Board of Directors may in certain circumstances deviate from the Remuneration Policy if necessary to serve the long-term interests of the company.

The deviation may include the size of the cash bonus.

A deviation from the Remuneration Policy must be based on a reasoned recommendation from the Chairman, and the Board of Directors must agree to approve the recommendation to deviate.

### **Repayment of variable remuneration (Claw-back)**

The Company and the Company's subsidiaries have in special cases the opportunity to demand full or partial repayment that has been paid to Management, including e.g. variable remuneration paid on basis of performance-based cash bonus programmes. Such repayment can be demanded if the variable remuneration have been awarded, earned or paid on basis of information that subsequently proves to be incorrect or if the recipient of remuneration has been in bad faith about other matters that has entailed payment of excessive variable remuneration.

Prior to the date of approval of the this Remuneration Policy, cash bonus agreements may have been entered into that do not contain claw-back provisions.

### **Indemnification of Management**

The Management is entitled to be a part of by the Company's directors' and officers liability insurance (D&O-insurance) as applicable from time-to-time.

In addition to the above, Cemat may chose to indemnify members of Management. Cemat's potential indemnification of Management is secondary to Cemat's D&O-insurance. Cemat's indemnification of the Management is conditioned on the fact that the Management have not exhibited fraud, willful misconduct, gross negligence (unless covered under Cemat's D&O-insurance) and/or criminal offence pertaining to members of Management's discharge of duties.

The decision to indemnify Management lies with the Board of Directors that has been authorized to do so from the general meeting. The Board of Directors is authorized to determine the terms and conditions of the indemnification scheme, including coverage, to the furthest extent permitted by law and to manage and administer the indemnification scheme and decide on any matter relating to any claims applicable to the scheme.

### **Approval and disclosure**

The Board of Directors is to consider the Remuneration Policy annually to ensure that the policy continuously support Cemat's business strategy, long-term interests and sustainability. The Board of Directors must approve any amendment thereof. The Remuneration Policy was approved by the Board of Directors 22 February 2022.

To avoid conflicts of interest a member of Management may not participate in the decision-making process regarding an agreement between Cemat and the individual member of Management. As the remuneration of the Board of Directors consists of a fixed fee approved by the general meeting, and as the remuneration of the Management Board is determined by the Board of Directors, it is Cemat's understanding that there is no risk of conflicts of interests.

The Remuneration Policy will be presented for approval on Cemat's general meetings when any material amendment is proposed and at least every fourth year. The actual Remuneration Policy and the compliance hereof will be motivated annually at the general meeting.

The Remuneration Policy and the actual fees that have been paid out during a financial year are highlighted in the annual report.

The Remuneration Policy will be published on the company website ([www.cemat.dk](http://www.cemat.dk)) including the date and voting result of the general meeting.

- 0 -

The Remuneration Policy has been prepared in Danish and English language versions. In case of any inconsistencies, the Danish version will prevail.