

# REMUNERATION POLICY FOR EAC INVEST A/S

**EAC Invest A/S**  
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*Denmark*

The Board of Directors of EAC Invest A/S (the 'Company' and together with its subsidiaries and affiliates, the 'Group') has approved this remuneration policy (the 'Remuneration Policy') describing the remuneration principles, including incentive pay, for the Board of Directors and the Executive Board. This Remuneration Policy is made in accordance sections 139 and 139a of the Danish Companies Act (in Danish: "selskabsloven").

The Remuneration Policy was approved at the Annual General Meeting on 30 April 2020, thereby replacing the Remuneration Policy and incentive guidelines approved at the Annual General Meeting in March 2017.

## **Overall objectives**

The overall objective of this Remuneration Policy is to:

Align the interests of the Company with those of its shareholders and other stakeholders, and to ensure the long-term interests, sustainability and business strategy of the Company.

In its preparation and review of the Remuneration Policy as well as when entering into individual agreements on remuneration, the Board of Directors will take into account the remuneration and employment conditions of other employees of the Group to ensure the appropriate balance between remuneration of the Board of Directors, the Executive Board and the Company's other employees.

## **Board of Directors**

Members of the Board of Directors receive a fixed annual base fee. The chairman of the Board of Directors may receive a maximum of two times the fixed annual base fee and the deputy chairman may receive a maximum of one and a half times the fixed annual base fee, respectively, for their extended duties. Additional remuneration may be offered to members of the Board of Directors for performance of ad hoc tasks, while the total remuneration to each board member (including the chairman and deputy chairman) cannot exceed three times the fixed annual base fee. The fixed annual base fee and any remuneration in excess thereof must be approved by the general meeting.

Members of the Board of Directors do not receive any incentive-based remuneration. Board members' reasonable expenses for travel and accommodation in connection with attending board meetings are reimbursed based on costs incurred.

## **Executive Board**

The members of the Executive Board receive a fixed salary and have the option to receive a performance bonus (as further described below).

## **Fixed pay**

Members of the Executive Board receive a fixed salary as well as other customary non-monetary benefits, such as newspaper subscriptions, mobile phone and internet, as further agreed with the Company. Executive Board members' reasonable expenses for travel and accommodation are reimbursed based on costs incurred.

## **Variable remuneration**

The Board of Directors may decide to grant members of the Executive Board an annual cash bonus with the aim to motivate and reward executives whilst ensuring alignment between the executive in question and achievement of the Company's overall strategic goals.

Bonus is subject to fulfilment of certain pre-defined performance targets ('KPIs') reflecting the performance and strategy of the Company. Such targets may be financial or non-financial and may relate to targets for the Company or the individual executive, including to the occurrence of a

particular event. The level of achievement of individual performance targets, and the subsequent size of the bonus, shall be determined by the Board of Directors.

The bonus amount may, among others, be dependent on the return on the Company's investments, including in connection with the divestment of the Company's minority shareholdings. Given that the variable remuneration will initially not be based on annual financial results, but rather on specific targets or events, there will not be a certain correlation between the fixed annual pay and the variable remuneration.

Bonus earned may, following decision by the Board of Directors, be paid as a cash fee and/or remuneration other than cash, including in the form of shares or other financial instruments. In this respect, the Board of Directors may determine more detailed terms for maturity; the Board of Directors itself determining the length thereof.

Any such cash bonus shall be subject to claw back, if paid out on the basis of information, which is subsequently found to be materially incorrect due to e.g. miscalculations, false information or fraud.

Members of the Executive Board, who are also members of the Board of Directors, may receive remuneration for each of these duties, given that each remuneration is subject to the terms set out above.

#### **Termination and severance payment**

Employment contracts for members of the Executive Board contain terms and conditions common to those of their peers in companies listed on Nasdaq Copenhagen – including terms of notice and noncompetition clauses. No severance pay schemes are in place for members of the Executive Board or the Board of Directors.

#### **Conflicts of interest**

In order to avoid conflicts of interest, remuneration to the Board of Directors is approved by shareholders at the annual general meeting. Remuneration of the Executive Board is based on the recommendation of Board of Directors, and members of the Executive Board do not participate in meetings regarding their remuneration. The Company and Board of Directors may receive advice from external advisors, who are different from those used by the Executive Board.

#### **Review and amendments of the Remuneration Policy**

The Board of Directors has the responsibility for preparing and reviewing the Remuneration Policy. The Remuneration Policy will be reviewed at least once a year by the Board of Directors and is subject to approval by the general meeting at least every four years. In case of substantial changes, the Board of Directors will prepare a proposal to be presented to the Company's shareholders and approved a subsequent general meeting.