

## REMUNERATION AND INCENTIVE POLICY

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### **Remuneration policy in Glunz & Jensen**

This remuneration policy describes the framework for remuneration in the Glunz & Jensen Group. The remuneration policy is recommended by the Remuneration Committee and presented to the Board of Directors - and approved at the general meeting. The remuneration policy is updated once a year.

The remuneration policy applies to all managers and employees of the Glunz & Jensen Group, and is divided into three main sections:

- 1) General remuneration principles and remuneration conditions
- 2) Special conditions for employees with a significant impact on the company's risk profile
- 3) Remuneration of the Board of Directors and the Executive Management

The goals of the Glunz & Jensen Group's remuneration policy are to promote the long-term value creation for shareholders, while observing principles of sound and effective risk management, good corporate governance, and consideration of the Group's reputation.

The purpose is also that the remuneration policy is in accordance with the company's business strategy, objectives, values, and long-term interests, including that the remuneration of the company's employees is in accordance with legal requirements for the protection of customers, employees, and investors as well as the legislation in other respects, taking into account the company's internal and long-term sustainability.

### **General remuneration principles and remuneration conditions**

Glunz & Jensen wants the Group's remuneration level and principles to be market-adapted, so that the Group can constantly attract and retain the right employees. Thus, remuneration is considered to be one of several parameters that have an impact on the efforts to be an attractive workplace.

The actual remuneration to the individual employee is determined according to individual agreement where possible, and the starting point is based on job content as well as the employee's skills and performance. Remuneration to the company's employees must not encourage risk-taking that exceeds the company's risk profile.

The total salary for covered employees follows the agreement for Dansk Industri. Employees are placed in step and salary is regulated in accordance with the provisions of the agreement.

For the Group, there must be clear and well-known criteria for the efforts and results that can lead to step increases and lump sum payment. Any appointment must be justified by the responsible Director.

The employees are covered by a pension scheme, through Velliv, Pension og Livsforsikring A/S, and thus pay part of the salary for a pension savings. In addition, Glunz & Jensen pays contribution to the employees' pension scheme.

The Group's employees have access to a number of staff benefits. Upon resignation, severance pay is paid in accordance with the Salaried Employees Act and the provisions of the agreement.

Discretionary pension benefits are not paid to Group Management (the Board of Directors and the Executive Management).

Retention bonus is not used.

### **Remuneration of the Board of Directors and the Executive Management**

Glunz & Jensen's Board of Directors is paid a fixed fee and is not covered by incentive programs or performance remuneration. The remuneration to the Board of Directors is sought at a level that is market-based on the basis of the competence and resource requirements imposed on the Board members.

The Chairman of the Board and the Vice Chairman receive a supplement to the ordinary Board fees.

Glunz & Jensen has established several committees with reference to the Board of Directors. The members of the committees each receive an annual fee which is approved at the annual general meeting.

Glunz & Jensen's Executive Management is employed on a contractual basis and an annual assessment of the terms of the contracts is made, including remuneration.

The Executive members' total salary package is sought by the Board of Directors, based on market practice and at a level that enables Glunz & Jensen to attract and retain competent Executive Management. The Executive Management's remuneration consists of a fixed salary and pension, as well as a free car and telephone, and the Executive Management has the opportunity to receive variable salary shares in the form of bonuses. The Executive Management usually has a notice period of 3-6 months.

The remuneration of members of the Executive Management from internal board positions is set off in the salary.

### **Remuneration of the Senior Managers**

Glunz & Jensen's Senior Managers are employed on salaried contracts, and an annual assessment of the terms of the contracts is made, including remuneration. The remuneration of senior managers consists of fixed salary and in some cases senior managers have the opportunity to receive variable remuneration in the form of bonuses. Some of the senior managers have the option of a free company car.