

Remuneration report 2020/21

Introduction

Glunz & Jensen is the world's leading supplier of innovative, high-quality plate making equipment and solutions for the global prepress industry. In addition to developing and producing processors for the Offset and Flexo printing industries, we also offer R&D services plus a full-range of spare- and wear parts. Our product portfolio also includes exposure units, dryers, light finishers, mounting tables, plate stackers and software for monitoring and controlling complete prepress processes.

Glunz & Jensen has been a recognized leader in prepress for more than 45 years. We have long-standing relations with major players such as Agfa, Asahi, DuPont, Flint, FujiFilm, Heidelberg, Kodak and MacDermid. We market our products through a comprehensive and worldwide network of distributors and dealers and have approx. 100 employees in our facilities in Denmark, Slovakia, and the USA.

We strive to be the most innovative high-end equipment and services provider, delivering outstanding value for money in our product areas, and thereby growing our market share with our global partners. Simultaneously, we seek to strengthen our earnings through improved efficiency and optimization of sourcing and supply chain.

This remuneration report has been prepared in accordance with the requirements in section 139b of the Danish Companies Act and contains an overview of the total remuneration paid by each member of the Board of Directors and the Executive Management of Glunz & Jensen Holding A/S (Glunz & Jensen), CVR no. 10239680, has received during the financial year 2020/21. The Executive Management includes the members of Glunz & Jensen's Executive Management who are registered with the Danish Business Authority.

The remuneration of the Board of Directors and the Executive Management in the financial year 2020/21 has been allocated in accordance with the Glunz & Jensen's remuneration policy, which was approved at the Annual General Meeting held on June 30, 2020, and which is available on the Glunz & Jensen website. The remuneration policy covers the requirements in sections 139 and 139a of the Companies Act.

The overall purpose of the remuneration is to attract, motivate and retain qualified members of the Board of Directors and the Executive Management, and to align the interests of the Board of Directors and the Executive Management with the interests of the Glunz & Jensen and the Glunz & Jensen shareholders.

The policy of the remuneration composition is to support the company's business strategy and long-term interests including financial results. The chosen criterion as KPI for measuring the accomplished result in support of the strategy and long-term interests has in 2020/21 been the EBITDA before non-recurring items and fair value adjustment on the investment properties.

	Fiscal year	
	2020/21	2019/20
EBITDA*	19.022	14.854

*) EBITDA before non-recurring items and fair value adjustment on the investment properties.

The information contained in this remuneration report is derived from the audited annual report of Glunz & Jensen for the financial years 2020/21, which is available on the Glunz & Jensen website. All amounts are stated in TDKK (thousands of Danish Kroner), gross.

Board of Directors' endorsement

The Board of Directors has today reviewed and approved the remuneration report for Glunz & Jensen for the financial year April 1, 2020 - March 31, 2021. The remuneration report is presented in accordance with section 139b of the Danish Companies Act. It is our opinion that the remuneration report is in accordance with the company's remuneration policy, which was approved at the company's annual general meeting, and is free of material misstatement and deficiencies, whether due to fraud or error. The remuneration report is submitted for an indicative vote at the company's annual general meeting.

Ringsted, June 8, 2021

The Board of Directors:

Flemming Nyenstad. Enevoldsen
Chairman

Randi Toftlund Pedersen
Vice Chairman

Rolf Pfiffner

Maximilian Rid

Stig Nedergaard

Independent auditor's report on the Company's remuneration report

To the shareholders of Glunz & Jensen Holding A/S

We have examined whether the remuneration report of Glunz & Jensen Holding A/S for the period 1 April 2020 – 31 March 2021 contains the disclosures required pursuant to section 139b(3) of the Danish Companies Act.

The degree of assurance we express in this report is reasonable.

The Board of Directors' responsibility for the remuneration report

The Board of Directors is responsible for the preparation of the remuneration report in accordance with section 139b(3) of the Danish Companies Act.

The Board of Directors is also responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error.

Auditor's independence and quality control

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements of laws and regulations applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code, which rely on general principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct.

We are subject to the International Standard on Quality Control, ISQC 1, and thus use a comprehensive quality control system, documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable requirements of Danish law and other regulations.

Auditor's responsibilities

Our responsibility is to express a conclusion on the remuneration report based on our examinations. We performed our work in accordance with ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information and additional requirements under Danish audit regulation to obtain reasonable assurance for our conclusion.

As part of our examinations, we performed the below procedures:

- We verified whether the remuneration report, to the extent relevant, contains the disclosures required pursuant to section 139b (3)(i)-(vi) of the Danish Companies Act regarding the remuneration of each member of Management.

We believe that our work provides a reasonable basis for our conclusion.

Our examinations did not include procedures aiming to test the accuracy and completeness of the disclosures made in the remuneration report, and accordingly, we do not express a conclusion in this respect.

Conclusion

In our opinion, the remuneration report contains, in all material respects, the disclosures required pursuant to section 139b(3) of the Danish Companies Act.

Copenhagen, June 8, 2021.

Brian Skovhus
State Authorised Public Accountant
mne27701

Remuneration | Board of Directors

In accordance with the Glunz & Jensen adopted remuneration policy, members of the Board of Directors are remunerated with a fixed annual fee, which is approved by the Annual General Meeting. No variable salary components are paid to the Board of Directors, either in the form of salary, shares, options, pension or other similar scheme, including ad hoc or discretionary amounts granted during the year.

The aim is for the annual board fee to be in accordance with market practice for comparable listed companies, taking into account the required competencies, efforts and scope of work for the board members.

The chairman and vice-chairman receive greater remuneration for their extended duties.

The following fees for the Glunz & Jensen's Board of Directors were approved at the Annual General Meeting June 30, 2020.

	Board of Directors		Audit committee		Nomination committee		Risk committee		Remuneration Committee		Total	
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Chairman	250	250		0		0		0		0	250	250
Vice chairman	150	150		0		0		0		0	150	150
Member	100	100		0		0		0		0	100	100

The remuneration composition to the Board of Directors was unchanged from 2019/20 to 2020/21.

Remuneration of the Board of Directors for the financial year 2020/21

Name	Annual board fee		Annual committee fee		Compensation		Benefits		Total remuneration	
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Flemming Nyenstad. Enevoldsen Chairman	250	250	0	0	10	11	0	0	260	261
Randi Toftlund Pedersen Vice chairman	150	0	0	0	1	0	0	0	151	0
Maximilian Rid Member	100	0	0	0	14	0	0	0	114	0
Rolf Pfiffner Member	100	100	0	0	20	0	0	0	120	100
Carsten Knudsen Vice chairman	0	150	0	0	0	17	0	0	0	167
Stig Nedergaard Member	100	100	0	0	23	0	0	0	123	100
Kristian Kvistgaard Member	58	100	0	0	23	0	0	0	81	100
Total	758	700	0	0	91	28	0	0	849	728

The difference in annual board fee to Kristian Kvistgaard (42 TDKK less in 2020/21 compared to 2019/20) is due to his resignation during 2020/21.

The annual board fee is paid in cash in the month that follows the annual general meeting.

Compensation includes mileage and other employee benefits.

Remuneration | Executive Management

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 purpose of the annual fixed base salary is to attract and maintain a competent Executive Management in order to support Glunz & Jensen's ability to achieve its short- and long-term objectives.

The aim is for the Executive Management's remuneration to be based on the following criteria:

- be market compliant
- match time consumption, responsibilities and complexity as well
- be simple and transparent

The Executive Management 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 access to a company car and telephone, and the Executive Management has the opportunity to receive variable salary in the form of cash bonuses. The Executive Management usually has a notice period of 3-6 months. The bonus amount is based on the annual EBITDA before non-recurring items and fair value adjustment on the investment properties. The target is the EBITDA set in the budget for the year. A realized annual EBITDA higher than in the budget will trigger a higher bonus. Maximum cap is at 50% of the annual salary. A realized annual EBITDA lower than in the budget will trigger a lower bonus – and the cutoff point is 75% meaning that a realized annual EBITDA less than 75% of the budget will not trigger a bonus. The bonus plan does not contain any non-fiscal KPIs.

The bonus provision amount is determined by the amount (EBITDA before non-recurring items and fair value adjustment on the investment properties) as stated in the annual report.

The timeline for bonus payment is normally in the month that follows the annual general meeting.

The Executive Management members' are entitled to receive a pension contribution of 8%.

The Executive Management does not receive any share based payment and do not hold any shares in the Company.

The remuneration of members of the Executive Management from internal board positions is set off in the salary. Below table are shown as gross remuneration.

Name	Salary		Pension contribution		Bonus provision		Non-monetary goods*		Total	
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Martin Overgaard Hansen	2.100	1.226	183	107	394	0	316	152	2.993	1.485
Henrik Blegvad Funk	1.668	1.983	126	141	295	0	36	60	2.125	2.184
Total	3.768	3.209	309	248	689	0	352	212	5.118	3.669

*The Executive Management has non-monetary benefits, including company cars and other usual non-monetary employee benefits such as insurance, newspapers, telephone and Internet access, as approved by the Board of Directors.

The difference in salary from 2019/20 to 2020/21 is due to Martin Overgaard Hansen commencing as CEO on September 1, 2019. Henrik Blegvad Funk received an additional pay as interim CEO during April 1, 2019 to August 2019. The salary of the Executive Management was not adjusted during 2020/21.

The ratio of fixed and variable pay was 87/13 in 2020/21 (4.429 TDKK and 689 TDKK of 5.118 TDKK) compared to 100/0 in 2019/20 (3.669 TDKK and 0 TDKK of 3.669 TDKK).

A total of 82.409 warrants remain unallocated and remain available until March 8th, 2022. No warrants have been awarded during 2019/20 or during 2020/21

Glunz & Jensen has no claw-back instrument attached to the bonus program but will consider including it in the 2021/22 bonus program.

The bonus program is current for one year at the time only.

The bonus program is administered and monitored by the chairman of the Board of Directors as an assigned on behalf of the Board of Directors.

Remuneration | Comparison information

The fiscal year 2020/21 is the first reporting year for Glunz & Jensen. By 2024/25 the remuneration report will reach the maximum requirement of 5 year figures.

Compliance with pay policy

The remuneration of the Board of Directors and the Executive Management for the financial year 2020/21 is in line with the guidelines in remuneration policy by contributing to Glunz & Jensen's business strategy, long-term interests, sustainability and value creation. There is no deviation from the guidelines prescribed by the remuneration policy.

Additional requirements for the remuneration policy

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. The 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, either through Industriens Pension or through Velliv Pension, and thus pay part of the salary for a pension savings. In addition, Glunz & Jensen 8% 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.

The Executive Management members are employed in Glunz & Jensen Holding A/S. The Company does not have any other employees than the Executive Management. The number of FTEs was 2,00 in 2020/21 compared to 1,58 in 2019/20. The Glunz & Jensen group employed approx. 119 FTE in 2020/21 compared to approx. 158 FTE in 2019/20.

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.

Resignations and retirement

Employees and senior managers receive settlements as described on the Civil Servants Act. There are no individually agreed settlements.

The Executive Management members' are employed on directors contracts. The Executive Management members' are not embedded in the Civil Servants Act, or Holiday Law – and there are no agreements tied to resignation or retirement of the Executive Management.