



**NOTICE CONVENING
THE ANNUAL GENERAL MEETING
OF ROCKWOOL A/S**

Wednesday, 10 April 2024 at 3:00 p.m.

NOTICE CONVENING THE ANNUAL GENERAL MEETING OF ROCKWOOL A/S

The annual general meeting of shareholders is hereby convened to take place on

Wednesday, 10 April 2024 at 3:00 p.m.

at Roskilde Kongrescenter, Møllehusvej 15, DK-4000 Roskilde, Denmark.

Registration for the general meeting must take place no later than Friday, 5 April 2024 either electronically via the shareholder portal on www.rockwool.com/group/shareholder or by returning the completed registration form to Computershare A/S.

The general meeting will be transmitted in full directly via webcast in Danish and English. Further information on the webcast and the general meeting is available at the company's website, www.rockwool.com/group/agm. The webcast will only include the platform and rostrum. Information on collection and processing of personal data in connection with the annual general meeting is available on the company's website www.rockwool.com/group/agm.

The agenda for the annual general meeting is as follows:

1. The board of directors' report on the company's activities during the past financial year.
2. Presentation of annual report with auditors' report.
3. Adoption of the annual report for the past financial year and discharge of liability for the management and the board of directors.
4. Presentation of and advisory vote on remuneration report.
5. Approval of the remuneration of the board of directors for 2024/2025.
6. Allocation of profits according to the adopted accounts.

The board of directors proposes a distribution of dividends for the financial year 2023 of 43 DKK per share of a nominal value of 10 DKK. The dividend will be paid on 15 April 2024 after approval by the general meeting.

7. Election of members to the board of directors.

According to the Articles of Association, all members of the board of directors elected at the general meeting resign each year. Members of the board of directors are elected for the period until the next annual general meeting.

The board of directors nominates the following board members for re-election: Jes Munk Hansen, Ilse Irene Henne, Rebekka Glasser Herlofsen, Carsten Kähler, Thomas Kähler and Jørgen Tang-Jensen.

A description of the background of and the offices held by each candidate proposed for election by the board of directors, including the board of directors' reasons for the nomination, is enclosed in appendix 1 and is available at the company's website, www.rockwool.com/group/agm.

Subject to election of the above candidates, the board of directors expects to appoint Thomas Kähler as Chairman and Jørgen Tang-Jensen as Deputy Chairman.

8. Appointment of auditors.

The board of directors proposes appointment of PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab (PwC) as auditor of the company in accordance with the Audit Committee's recommendation in respect of statutory financial and sustainability reporting.

9. Proposals from the board of directors or shareholders.

Proposals from the board of directors:

9a. Authorisation to acquire own shares.

The board of directors proposes that the general meeting authorises the board of directors to allow the company to acquire own shares during the period until the next annual general meeting, i.e. class A shares as well as class B shares, of a total nominal value of up to 10% of the company's share capital, provided that the price of the shares at the time of purchase does not deviate by more than 10% from the most recent listed price.

9b. Approval of remuneration policy for the board of directors and registered directors.

The company's remuneration policy was most recently approved by the shareholders at the annual general meeting in 2020. In line with the Danish Companies Act, the board of directors proposes that the general meeting approves an updated version of the remuneration policy for the board of directors and registered directors. Compared to the 2020 remuneration policy, the updated version includes editorial changes only.

The proposed updated remuneration policy is enclosed as appendix 2 and is available at the company's website, www.rockwool.com/group/agm.

9c. Proposal to contribute 100 MDKK to the Foundation for Ukrainian Reconstruction.

Based on ROCKWOOL's wish to continue to actively contribute to the reconstruction of Ukraine, the board of directors proposes that the general meeting approves that an additional amount of 100 MDKK be contributed to the Foundation for Ukrainian Reconstruction.

In submitting this proposal, the board of directors has assessed that the proposal reflects and supports ROCKWOOL's values and activities. The board of directors considers that the proposal reflects that the company has a social responsibility and that the conflict in Ukraine is a completely extraordinary situation that affects and is of major importance to the company, its employees and business partners.

10. Any other business.

Share capital, voting right and adoption requirements

At the time of convening the general meeting, the company's share capital amounts to a nominal value of 216,207,090 DKK, divided into a class A share capital of a nominal value of 99,942,650 DKK (9,994,265 shares of a nominal value of 10 DKK each) and a class B share capital of a nominal value of 116,264,440 DKK (11,626,444 shares of a nominal value of 10 DKK each). Each class A share of a nominal value of 10 DKK entitles to ten votes, and each class B share of a nominal value of 10 DKK entitles to one vote according to article 10.b of the Articles of Association.

Shareholders are entitled to vote, if they on the record date, Wednesday, 3 April 2024, are registered in the company's register of shareholders or have given notice to the company of a change of ownership, which the company has received for the purpose of registration in the register of shareholders, but which has not yet been registered according to article 10.c. of the Articles of Association, and who have requested admission cards or submitted absentee votes in due time.

All proposals on the agenda may be adopted by a simple majority vote.

Admission cards

As previous years, the company will issue electronic admission cards. The electronic admission card(s) will be sent to the email address provided by the shareholder in the shareholder portal, and which has been registered in the register of shareholders. Shareholders must bring the admission card(s) to the general meeting, either electronically on a smartphone/tablet or in a print version. Shareholders also have the option to collect admission card(s) at the registration counter at the entrance to the general meeting upon providing proper proof of identification.

At the registration counter, shareholders will receive a printed ballot for the general meeting upon providing admission card(s) or proof of identification.

Shareholders wishing to attend the general meeting must request an admission card no later than Friday, 5 April 2024. Admission cards can be obtained as follows:

- (a) electronically via the shareholder portal on www.rockwool.com/group/shareholder by using the password and deposit account information sent directly to all registered shareholders or MitID;
- (b) by returning the completed registration form to Computershare A/S, Lottenborgvej 26 D, 1st floor, DK-2800 Kgs. Lyngby. The registration form has been sent to all registered shareholders, who have requested it, and is also available at the company's website, www.rockwool.com/group/agm; or
- (c) by contacting Computershare A/S, by phone, (+ 45) 4546 0997 (weekdays between 09:00 and 15:30 (CET)) or by email, gf@computershare.dk.

Proxy

A shareholder may utilise his/her voting rights by proxy, provided that the proxy holder substantiates his right to attend the general meeting by presenting an admission card and a dated proxy form in writing. The proxy form is available at the company's website, www.rockwool.com/group/agm, and can also be obtained from Computershare A/S.

Computershare A/S must receive the completed proxy form no later than on Friday, 5 April 2024. The proxy form may be sent in writing by ordinary mail or electronically via the shareholder portal on www.rockwool.com/group/shareholder.

Absentee votes (voting by correspondence)

A shareholder may exercise his/her voting rights by submitting an absentee vote. A form for submitting absentee votes may be obtained at the company's website, www.rockwool.com/group/agm, and may also be obtained from Computershare A/S.

Computershare A/S must receive the absentee votes no later than Monday, 8 April 2024. Absentee votes can be sent in writing by ordinary mail or electronically via the shareholder portal on www.rockwool.com/group/shareholder.

Publication of documents

The notice including the agenda, the complete proposals, information about voting rights and capital structure at the time of the notice convening the annual general meeting, the audited annual report, remuneration report and sustainability report, the updated remuneration policy, the form of proxy and absentee votes as well as information on handling of personal data in connection with the annual general meeting will be available at the company's website, www.rockwool.com/group/agm, in the period from the publication of the notice and until and including the day of the general meeting.

Questions

The company encourages all shareholders to actively take part in the annual general meeting, by providing questions to the company's management on any matters that may require clarification.

You are welcome to send short questions or comments soonest possible and no later than Sunday, 7 April 2024 to agm@rockwool.com. We may respond to specific questions directly to a shareholder while questions or comments of interest for a broader range of shareholders will be addressed during the meeting.

Yours sincerely,
ROCKWOOL A/S

On behalf of the board of directors
Thomas Kähler, Chairman of the board of directors

Appendix 1: Candidates for the board of directors



THOMAS KÄHLER

Chairman

Date of birth: 2 November 1970

Elected to the Board: 2008

Not independent according to the corporate governance recommendations

Nationality: Danish

Education

2021: Board Education programme, Copenhagen Business School, Denmark

2016: High performance Boards, IMD, Switzerland

2008: MBA, Copenhagen Business School, Denmark

1998: Business Diploma, 1st part, Copenhagen Business School, Denmark

1993: Electrical / Mechanical Engineer, DIA, Technical University of Denmark

Main points of career

2015-2020: Senior Vice President, Head of Systems Division, ROCKWOOL International A/S (now ROCKWOOL A/S)

2009-2015: Managing Director of ROCKWOOL Scandinavia

2004-2009: Managing Director of RockDelta A/S

2001-2004: Sales Director at RFS Denmark A/S (Alcatel Group)

1998-2001: Regional Sales Manager at RFS Denmark A/S (Alcatel Group)

1996-1998: Regional Sales Manager at Howden Denmark A/S

1994-1996: Area Sales Manager at Ametek Denmark A/S

Other positions related to the company

Member of the Chairmanship

Member of the Audit Committee

Chairman of the Remuneration and Nomination Committee

Member of the Kähler Family Meeting

Positions in other Danish companies

Chairman of the Board of Metier Westergaard A/S

Director and member of the Board of DURAPOR A/S

Member of the Board of Metier Westergaard Event A/S

Appendix 1: Candidates for the board of directors

Other positions

Chairman of the Board of the Foundation for Ukrainian Reconstruction

Re-election motivation and competences

Thomas Kähler has experience in management, marketing, sales and business development in international business and close relationships with major shareholders. In addition, Thomas Kähler has extensive insight into environmental, social and governance (ESG) regulation and energy efficiency.

Remuneration for 2023/2024 as determined by the general meeting April 2023

Chairman of the Board DKK 1,200,000

Supplement for members of the Audit Committee DKK 200,000

Supplement for members of the Remuneration and Nomination Committee DKK 100,000



JØRGEN TANG-JENSEN

Deputy Chairman

Date of birth: 5 August 1956

Elected to the Board: 2017

Independent according to the corporate governance recommendations

Nationality: Danish

Education

1997: MBA from Stanford University, USA

1989: IMD, Switzerland

1981: MSc (International Business), Aarhus Business School, Denmark

Main points of career

2001-2017: CEO of VELUX A/S, Denmark

1990-2000: Group Director of VELUX Industri A/S, Denmark

1984-1990: Managing Director of Novelco A/S, Denmark

1981-1984: Product Manager of VELUX International A/S, Denmark

Other positions related to the company

Member of the Chairmanship

Appendix 1: Candidates for the board of directors

Member of the Remuneration and Nomination Committee

Positions in other Danish companies

Member of the Boards of VKR Holding A/S, VILLUM FONDEN and Maj Invest Holding A/S (and two fully owned subsidiaries)

Other positions

Chairman of the Board of Tænketanken Europa (Think Tank Europe)

Re-election motivation and competences

Jørgen Tang-Jensen has years of experience in the building materials industry and a deep understanding of corporate governance due to his active role in several organizations. In addition, Jørgen Tang-Jensen has extensive insight into environmental, social and governance (ESG) regulation.

Remuneration for 2023/2024 as determined by the general meeting April 2023

Deputy Chairman of the Board DKK 800,000

Supplement for members of the Remuneration and Nomination Committee DKK 100,000



REBEKKA GLASSER HERLOFSEN

Date of birth: 26 July 1970

Elected to the Board: 2020

Independent according to the corporate governance recommendations

Nationality: Norwegian

Education

2023: ESG for Boards program by FutureBoards AS and DNV AS, Norway

2004: CFA (Certified Financial Analyst Programme) from Norwegian School of Economics and Business Administration, Norway

1994: Degree in economics ("siviløkonom") (Economics and Business Administration, Finance and Strategy) from Norwegian School of Economics and Business Administration, Norway

1993: Literature, Undergraduate Level, from University of Bergen, Norway

Main points of career

2020- : Independent consultant, investor and professional board member

Appendix 1: Candidates for the board of directors

2017-2020: CFO of Wallenius Wilhelmsen Logistics ASA, Norway

2012-2017: CFO of Torvald Klaveness, Norway

2011-2012: CFO of Norwegian Energy Company ASA (=Noreco), Norway

2009-2011: Own investments, Professional Board member (Cermaq, Handelsbanken Norge, Klaveness, Sin-Oceanic and Noreco), Norway

2005-2009: Director Business Development of BW GAS ASA / Bergesen d.y. ASA, Norway

2003-2005: Head of Corporate Planning of BW GAS ASA / Bergesen d.y. ASA, Norway

1999-2003: Project Manager, Business Development of BW GAS ASA / Bergesen d.y. ASA, Norway

1997-1999: Associate, Corporate Finance of Enskilda Securities, England

1995-1997: Analyst of Enskilda Securities, Norway

Other positions related to the company

Chairperson of the Audit Committee

Positions in other Danish companies

Member of the Boards and Chairperson of Audit Committees of Egmont Fonden and Egmont International Holding A/S

Other positions

Chairperson of the Boards of Norwegian Hull Club and Handelsbanken Norge, Norway

Chairperson of the Council, DNV, Norway

Member of the Boards of Equinor ASA*, Wilh. Wilhelmsen Holding ASA* and Torvald Klaveness Group, Norway

Member of the Board and Chairperson of Audit Committee of BW Offshore ASA*, Norway

Member of the Nomination Committee of Orkla ASA*, Norway

* Listed companies

Re-election motivation and competences

Rebekka Glasser Herlofsen has extensive international experience from executive and board positions in several large companies. Over many years, Rebekka Glasser Herlofsen has developed financial competencies that are useful in both general Board work as well as in the Audit Committee (financial expert). In addition, Rebekka

Appendix 1: Candidates for the board of directors

Glasser Herlofsen has extensive insight into environmental, social and governance (ESG) regulation, and sustainability.

Remuneration for 2023/2024 determined by the general meeting April 2023

Other members of the Board DKK 400,000

Supplement for Chairperson of the Audit Committee DKK 330,000



CARSTEN KÄHLER

Date of birth: 23 September 1980

Elected to the Board: 2021

Not independent according to the corporate governance recommendations

Nationality: Danish

Education

2012: Attorney (Advokat) with the Danish Bar and Law Society (currently the license is deposited with the Danish Ministry of Justice)

2007: Cand.Jur, Copenhagen University, Denmark

Main points of career

2019-2021: Tax Manager, Deloitte Tax and Legal, Denmark

2017-2019: Chief Operating Officer, Seger Group, New Zealand

2013-2017: Own investments and forestry, Denmark

2012-2013: Tax Manager, Accura Tax, Denmark

2011-2012: Assistant attorney (Advokatfuldmægtig), Accura Advokatpartnerselskab, Denmark

2008-2011: Tax Consultant, Ernst & Young, Denmark

Other positions related to the company

Member of the Kähler Family Meeting

Positions in other Danish companies

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Other positions

Member of the Board of the Fahu Foundation, Denmark

Appendix 1: Candidates for the board of directors

Re-election motivation and competences

Carsten Kähler has competencies and experience gained within both global and Danish legal and accounting companies that are useful in general Board work. He has a close relationship with major shareholders.

Remuneration for 2023/2024 as determined by the general meeting April 2023

Other members of the Board DKK 400,000



ILSE IRENE HENNE

Date of birth: 3 October 1972

Elected to the Board: 2022

Independent according to the corporate governance recommendations

Nationality: Belgian

Education

2023: Participation in the program "Driving Sustainability from the Boardroom", IMD Switzerland

2019: Strategic Program for female non-executive directors, HWR Berlin

2014: Breaking new grounds, Harvard Business School

2013: Maximizing Leadership Impact, Thyssenkrupp Academy

2012: Executing Strategy for Results, London Business School

2005-2006: International Business Management (Postmaster), "Vlerick Business School" Gent, Belgium

2000-2001: Solution-oriented Management (Postmaster), "Saxion University of Applied Sciences" in Enschede, The Netherlands

1998-1999: Business Management (postgraduate course), University Leuven, Belgium

1994-1995: Spanish Philology(Postmaster), University León, Spain

1990-1994: Master in Roman philology (final grade: Cum Laude) University Gent, Belgium

1984-1990: High school diploma, "Koninlijk Atheneum Voskenslaan" in Gent, Belgium

Main points of career

2024- : Member of the Executive Board of Thyssenkrupp AG

2020-2023: Chief Transformation Officer (CTO) thyssenkrupp Materials Services

2019-2023: Member of the Executive Board of the Business Segment thyssenkrupp Materials Services GmbH, part of ThyssenKrupp AG

2016-2018: CEO thyssenkrupp Schulte (thyssenkrupp Materials Services)

Appendix 1: Candidates for the board of directors

2012-2016: CEO Operating Unit Materials Western Europe/ Asia Pacific (thyssenkrupp Materials Services)

2002-2012: CEO thyssenkrupp Materials Belgium

1995-2002: Various positions at Sadel NV, Belgium (Business Development, Sales and Supply Chain Management)

Other positions related to the company

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Positions in other Danish companies

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Other positions

Member of the Baden-Badener Unternehmer Gespräche e.V., Klasse 135, Germany

Member of the Board and member of the Audit Committee of Arkema S.A., France

Chairperson of the Supervisory Board of thyssenkrupp Services, Essen, Germany

Member of the Board of BVL (Bundesvereinigung Logistik)

Re-election motivation and competences

Ilse Irene Henne has substantial managerial experience within the global building materials industry, particularly in the areas of strategical renewal, performance improvement, supply chain and sales excellence. Ilse Irene Henne also has extensive insight into sustainability.

Remuneration for 2023/2024 as determined by the general meeting April 2023

Other members of the Board DKK 400,000



JES MUNK HANSEN

Date of birth: 25 January 1968

Elected to the Board: 2023

Independent according to the corporate governance recommendations

Nationality: Danish and US citizen

Education

1997: MBA, London Business School, UK

1995: M.Sc. in Forestry, University of Copenhagen, Denmark

Appendix 1: Candidates for the board of directors

Main points of career

2019- : CEO and President, TERMA Group

2018-2019: CEO, Osram USA and Executive Vice President, Head of Global Sales Function

2015-2017: CEO, LEDVANCE

2015-2015: CEO, Osram Classical Lamps and Ballast

2013-2015: CEO, Osram Americas and President, Osram Sylvania

2007-2013: CEO and President, Grundfos North America

2002-2008: Group Senior Vice President, Grundfos

2000-2002: Director, Group eBusiness, Grundfos

Other positions related to the company

Member of the Audit Committee

Positions in other Danish companies

Member of the Board of WS Audiology A/S (Widex A/S)

Other positions

Vice Chairman, The Confederation of Danish Industry (DI)

Re-election motivation and competences

Jes Munk Hansen has extensive experience with strategic management of international companies and a strong understanding of corporate management, strategy, R&D and sales through his active career in several companies. In addition, Jes Munk Hansen has extensive insight into environmental, social and governance (ESG) regulation, corporate social responsibility (CSR), and cyber security.

Remuneration for 2023/2024 as determined by the general meeting April 2023

Other members of the Board DKK 400,000

OTHER MEMBERS OF THE BOARD OF DIRECTORS (NOT UP FOR ELECTION):



CONNIE ENGHUS THEISEN

Date of birth: 20 November 1960

Elected to the Board: 2006

Appendix 1: Candidates for the board of directors

Elected by employees

Nationality: Danish

Senior Group Advisor, ROCKWOOL A/S

Education

1994: Graduate Diploma in Business Administration (HDA), Odense University, Denmark

1985: Master of Art, Odense University - Cand. Mag.: principal subject: German, subsidiary subject: English, Denmark

Other positions related to the company

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Positions in other Danish companies

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Other positions

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Remuneration for 2023/2024 as determined by the general meeting April 2023

Other members of the Board DKK 400,000



CHRISTIAN WESTERBERG

Date of birth: 12 April 1978

Elected to the Board of Directors: 2018

Elected by employees

Nationality: Danish

Design Manager, ROCKWOOL A/S

Education

2008: BSc. Eng. (Machine), Engineering College of Copenhagen; Denmark

2002: Airplane technician, Royal Danish Airforce; Denmark

Other positions related to the company

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Appendix 1: Candidates for the board of directors

Positions in other Danish companies

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Other positions

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Remuneration for 2023/2024 as determined by the general meeting April 2023

Other members of the Board DKK 400,000



BERIT KJERULF

Date of birth: 12 September 1969

Elected to the Board: 2022

Elected by employees

Nationality: Danish

SHE-manager, ROCKWOOL Danmark A/S

Education

2022: Extended board education, UCNact2Learn, Erhverv, Denmark

2009: Management bachelor, Aarhus Business College, Denmark

1993: Master of Science in environmental engineering, Aalborg University, Denmark

Other positions related to the company

Member of the Board of the ROCKWOOL Foundation

Positions in other Danish companies

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Other positions

Substitute member of the Danish Environment and Food Board of Appeal (industry)

Remuneration 2023/2024 as determined by the general meeting April 2023

Other members of the Board DKK 400,000

Appendix 2: Remuneration Policy

REMUNERATION POLICY FOR THE BOARD OF DIRECTORS AND REGISTERED DIRECTORS OF ROCKWOOL A/S

This Remuneration Policy for the Board of Directors and Registered Directors of ROCKWOOL A/S (the “Policy”) has been prepared by the Board of Directors of ROCKWOOL A/S (“ROCKWOOL Group” or the “Company”) and is submitted for a binding vote at the Company’s annual general meeting on 10 April 2024.

Based on the approval of the Policy by a majority of votes cast, it will replace the Remuneration Policy approved at the annual general meeting on 1 April 2020 and is applicable for agreements on remuneration entered into after the annual general meeting on 10 April 2024.

After approval, the Policy will, every fourth year, be re-submitted for shareholder approval at the Company’s annual general meeting or earlier in case a material change is proposed. The Policy applies to the Board of Directors and Registered Directors of ROCKWOOL A/S. The Policy is available on the Company’s website along with the date for and result of the vote by the general meeting.

Purpose of the Policy

This Policy is designed to enable the Company to attract and retain members to the Board of Directors and Registered Directors that are competent, engaged and committed to realise our strategy.

The remuneration provided in accordance with this Policy, as well as complementing internal policies, shall promote and support our business success and value creation both on the short- and long-term, and thus encourage performance which is aligned with our shareholders’ interests and supporting our sustainability agenda.

The remuneration philosophy of the ROCKWOOL Group is aligned to our heritage and long-standing culture and remuneration schemes shall be designed to drive performance with structures easy to understand and communicate. These principles apply to the Board of Directors and Registered Directors as well as the Company’s broader employee population.

General principles of the Policy

Individual remuneration elements of the Board of Directors and Registered Directors will be set in accordance with this Policy. In addition to the primary purpose of attracting and retaining impactful contributors in a competitive environment, the Policy has been prepared with consideration of well-established remuneration processes covering the executives, and as relevant also the general employee population e.g., the annual salary review process. The Company has a balanced approach to fixed and variable remuneration to discourage excessive risk taking and to continue being a stable and well-performing company with a long-term perspective. Any new remuneration schemes or changes to existing schemes applicable for the Board of Directors and Registered Directors will be in accordance with this Policy.

Remuneration of the Board of Directors

Remuneration of the Board of Directors comprises of a base fee and supplementary fees for the Chairman, Deputy Chairman and members of board committees. Furthermore, reimbursement of expenses and, in very rare cases, fees for ad hoc tasks may apply.

Appendix 2: Remuneration Policy

Board Fees

Board members, both shareholder and employee elected members, receive a fixed annual base fee which is the same for all.

Supplementary fees

The Chairman, Deputy Chairman and members of the board committees are entitled to supplementary fees for the extended duties implied by those positions. Chairmen of committees are entitled to a higher supplementary fee than ordinary committee members.

Other remuneration components

The Company reimburses reasonable expenses for Board members such as travel, accommodation or other expenses related to board meetings as well as relevant education.

Individual Board members may take on specific ad hoc tasks outside their normal duties assigned by the Board. In each case, the Board shall determine a fixed fee for the work carried out in respect to these tasks which will be disclosed in the annual Remuneration Report and presented for approval by the shareholders at the general meeting.

Members of the Board of Directors are not offered pension arrangements or any type of incentive-based remuneration, neither in the form of short nor long term incentive schemes in their capacity as non-executive Board members.

Review of fees

The Remuneration Committee monitors the remuneration paid to Board members and provides a recommendation for adjustment, if any, based on relevant benchmark for comparable Danish and European companies. Such adjustment is subject to the approval by the shareholders at the Company's general meeting and covers the period until the next annual general meeting.

In the event a Board member resigns prior to expiry of an election term, only a proportionate amount of the fees will be paid.

Remuneration to members of the Board of Directors is paid in cash.

The individual fees for each member of the Board of Directors are disclosed in the annual Remuneration Report.

Remuneration of Registered Directors

The remuneration package of Registered Directors includes fixed base salary and variable pay elements linked to company performance which may include both short- and long-term incentives. The allocation between fixed and variable remuneration is determined within the boundary conditions set in this Policy, where the variable portion of the Registered Director's remuneration package, measured as short-term incentive maximum and annual long-term incentive grant, can be maximum 50% of the aggregate amount of base salary and incentive value as defined above. In addition, Registered Directors are offered pension and other benefits in line with market practise with a total value not exceeding 20% of base salary.

The individual remuneration elements of each Registered Director are disclosed in the annual Remuneration Report.

Appendix 2: Remuneration Policy

Base Salary

The fixed base salary for Registered Directors is set based on the individual's experience, contribution and in the context of the external market benchmark relevant for the position and the location. The base salary is subject to an annual review by the Remuneration Committee taking into consideration the forecasted salary movement, the individual Registered Director's contribution to the business success and referencing remuneration of external comparable executives. This approach is aligned with the general practice in the Company for other employees eligible for discretionary salary reviews. The Remuneration Committee is informed about the general annual increase forecasts and outcome of the base salary review process in the Company as supporting background information.

Short-term incentives

Registered Directors are eligible to receive short-term incentives on an annual basis in the form of a cash bonus following the short-term incentive programme established by the ROCKWOOL Group. The programme is designed to incentivise Registered Directors to contribute to the Company's strategic priorities for the year by focusing on selected key performance measures.

In the beginning of each year, the Remuneration Committee sets bonus targets for Registered Directors including expected performance levels, each with a minimum and maximum threshold. The performance targets must be clear and measurable, and linked to the performance of the ROCKWOOL Group. The bonus goals may also include targets related to the responsibility area of the particular executive or to the occurrence of certain strategic developments or events.

Bonus pay-outs are made after the annual general meeting to ensure that business results are approved by the shareholders. Any short-term incentive pay-out is excluding pension contributions.

Long-term Incentives

Registered Directors are eligible to receive annual grants of restricted share units and/or stock options as per the ROCKWOOL Group's long-term incentive programme which is designed for attraction and retention of executives, as well as to drive the executives' contribution and long-term commitment to the strategy and stability of the Company. Long-term incentives are share-based and thus aligned to the long-term value creation and financial sustainability of the Company.

In the beginning of every year, the Remuneration Committee proposes individual allocations of long-term incentives to each Registered Director, which are approved by the Board of Directors.

Stock options

Stock options will be subject to vesting and exercise periods as determined by the Board of Directors for each grant. The vesting period will be no less than three years and the exercise period will be no less than three and no more than eight years from time of grant.

The exercise price is defined based on an average calculated over a period of three weeks prior to grant. The terms of the stock options may allow for options to be settled in cash in which case, the exercise price shall be the same as where actual shares are delivered.

Restricted Shares

Restricted shares will be subject to a vesting period of no less than three years. The terms of the share incentives may allow for shares to be settled in cash in which case, the gross value shall be the same as the share price at the time of vesting.

Appendix 2: Remuneration Policy

Adjustments to incentive based remuneration

The incentive-based remuneration may contain provisions for adjustment in case of dividends and other changes in the capital structure of the Company. Further, the incentive-based remuneration may include terms governing the lapse of an incentive scheme, or terms governing accelerated vesting, exercise, or adjustment in case of a take-over, divestment of activities or other business combination involving the Company.

Clawback

The incentive-based remuneration agreements contain provisions on clawback of incentive-based remuneration based on data which subsequently prove to be materially and manifestly misstated.

Pension

Pension schemes for Registered Directors are offered with due regard to local practices. Registered Directors will generally participate in the same defined contribution pension scheme as other salaried employees in the location.

Other benefits

Registered Directors may receive ordinary non-monetary benefits such as but not limited to company car, health and insurance benefits, paid phone etc. in line with local practice.

Registered Directors may in relocation situations be offered time limited benefits such as, but not limited to, housing and school support in accordance with the Company's global mobility policy.

One-Time Awards

The Board of Directors may in individual cases decide to grant a one-time award or other additional incentive remuneration to a Registered Director. Such one-time award may be granted for attainment of certain performance and/or strategic objectives and/or milestones, such as but not limited to retention bonus, sign-on bonus, or other schemes in connection with organisational changes or appointments.

The one-time award may be cash and/or share-based remuneration in accordance with this Policy. The value of such award cannot at the time of grant exceed an amount corresponding to 100% of the Registered Director's annual base salary in the year of grant exclusive of pension and other accessory payments. Any such one-time award including its justification will be reported in the Remuneration Report presented at the first proceeding annual general meeting.

General guidelines for contractual terms

Registered Directors have contracts based on Group practice aligned and adapted to national legislation. Contracts are generally without time limitation, but might in certain cases, such as but not limited to global mobility contracts, include fixed term elements. Retirement and early retirement terms generally follow local market practice.

The termination schemes for Registered Directors are designed with due regard to national practice. The aggregate notice period and severance pay cannot exceed 24 months.

The Company generally seeks to secure customary non-compete restrictions to protect its interests.

Unless otherwise defined by legislation, short term incentives are paid if the Registered Director has contributed to the business performance during a full bonus period. If a Registered Director resigns during a short time incentive period, there will be no pay-out. If legislation dictates a pro-rated payment, such will be provided.

Appendix 2: Remuneration Policy

For long term incentives, the Registered Director will in general forfeit the right to any unvested programmes if a resignation is initiated by the Registered Director rather than the Company. If the Company initiates the termination for other reasons than breach, the Registered Director will keep any unvested long-term incentives.

Governance

The Remuneration Committee ensures that the Company's Remuneration Policy is updated, market-conform, and aligned to the Company's strategy and overall remuneration philosophy. The Remuneration Committee prepares and revises the Policy for the Board's adoption prior to a vote for approval at the general meeting.

The Remuneration Committee reviews and submits proposals for remuneration incl. adjustments and ensures that all remuneration granted to the Board of Directors and Registered Directors are compliant with and promoting the purpose of the Policy, as well as is market-conform to relevant practice. To ensure the best observations of market practice, the Company periodically engages with leading external advisors both for Policy development and review of individual remuneration packages. The Remuneration Committee does not engage the same external advisors as the Registered Directors.

In case of conflict of interest, the relevant member of the Remuneration Committee will abstain from participating in the committee's deliberations.

Deviations to the policy

In extraordinary circumstances, such as for instance take over in whole or in part, significant divesture of activities, demerger, merger or other amalgamation of the Company, the Board of Directors may deviate from the individual elements of this Policy when necessary for the Company's growth and stability. These elements include the vesting, exercise periods and exercise price of stock options, the overall maximums for incentive-based remuneration and the restrictions on simultaneous grant of stock options and restricted stock units. The deviations must in each case be consistent with the overall objective of this policy. Any such deviation will be fully disclosed in the first proceeding annual Remuneration Report.