

# CORPORATE GOVERNANCE

Nordic Waterproofing Holding A/S is a Danish public limited liability company, with company registration number 33395361, and is governed by the provisions of the Danish Companies Act. The registered office of the company is situated in Vejen, Denmark, with operational headquarters in Helsingborg, Sweden. The company's shares are listed on Nasdaq Stockholm, Mid Cap. This report on Nordic Waterproofing's corporate governance for 2018 is issued in accordance with the Danish Annual Accounts Act and the Swedish Code of Corporate Governance.

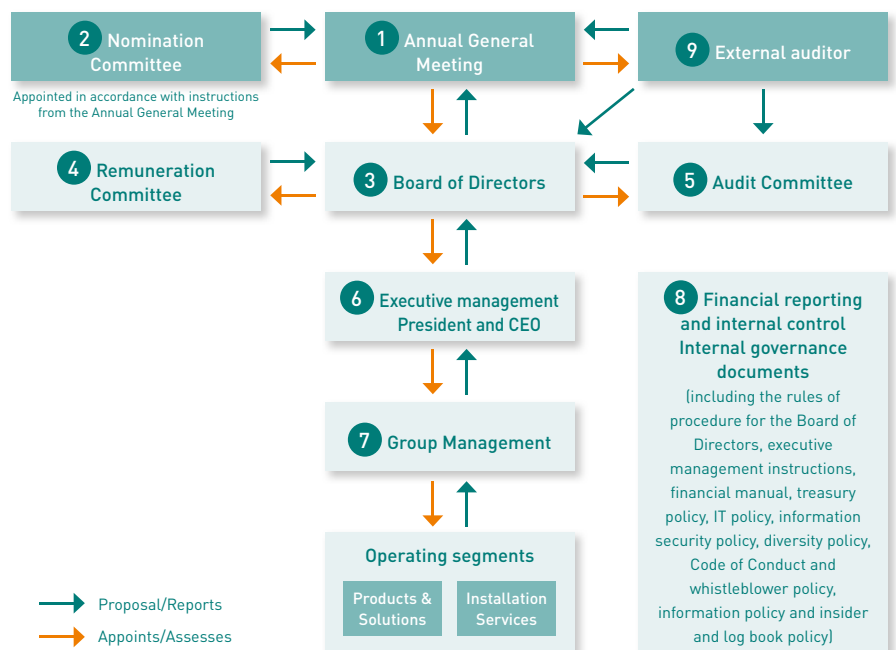
## THE SHARE AND SHAREHOLDERS

Nordic Waterproofing Holding A/S, with the ticker NWG, has been listed on Nasdaq Stockholm, Mid Cap segment since 10 June 2016. The number of shares outstanding on 31 December 2018 was 24,083,935. Each share entitles the holder to one vote. The number of shareholders on the same date was about 3,700, which is approximately 800 more, compared with the number at the end of 2017. The largest shareholder on 31 December 2018 was Mawer Investment Management, holding 2,729,537 shares, representing 11.3 percent of the votes and share capital in the company.

Further details on Nordic Waterproofing's share and the company's shareholders are available in the section "The share and ownership information", on pages 58–61 and on the company's website.

## CORPORATE GOVERNANCE FRAMEWORK

Nordic Waterproofing Holding A/S aims to maintain an appropriate corporate governance framework to ensure active, reliable and profitable business management. The corporate governance is based upon applicable Danish legislation and other external rules and instructions, including the Danish Company Act, Nasdaq Stockholm's Rulebook, the Swedish Securities Council on good practices in the stock market, the Swedish Code of Corporate Governance (the Code), and internal guidelines including Articles of Association, instructions, policies and guidelines.

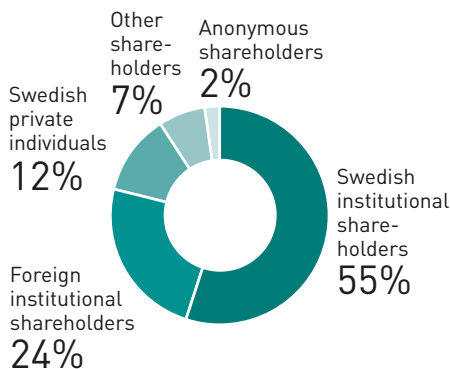


## APPLICATION OF THE SWEDISH CODE OF CORPORATE GOVERNANCE

The application of the Code is in all important aspects consistent with the Danish recommendations on corporate governance. The Code applies to all Swedish companies with shares listed on a regulated market in Sweden and must be applied on the date of the listing of the company's shares on Nasdaq Stockholm. In 2018, Nordic Waterproofing deviated from Article 2.1 of the Code in that Danish law requires

the Board of Directors to nominate auditors. In addition, the Code stipulates that the company's auditor shall review whether a Corporate Governance Report has been prepared and that certain disclosures in the Corporate Governance Report are consistent with the other parts of the Annual Report. Nordic Waterproofing's auditor follows generally accepted auditing practices in Denmark and no specific review of the Corporate Governance Report has therefore been performed.

### OWNERSHIP STRUCTURE AS PER 31 DECEMBER 2018, HOLDINGS, %



Source: Monitor by Modular Finance AB. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority.

## 1 GENERAL MEETINGS AND SHAREHOLDERS' INITIATIVES

Under the Danish Companies Act, the Annual General Meeting (AGM) is the company's highest decision-making body. The Annual General Meeting may resolve upon every issue for Nordic Waterproofing which does not specifically fall within the scope of the exclusive powers of another corporate body. At the Annual General Meeting, shareholders exercise their voting rights. At the Annual General Meeting, the shareholders vote on matters such as approval of the Annual Report, appropriation of Company profits or losses, resolutions to discharge the members of the Board of Directors and the executive management from liability for the financial year, the appointment of members of the Board of Directors, the appointment of an auditor, and remuneration for the Board of Directors and the auditor. At the Annual General Meeting, shareholders also have the opportunity to ask questions regarding the Group's operations.

The Annual General Meeting must be held in such time that the Annual Report, to be adopted by the Board of Directors and thereafter submitted to the General Meeting for approval, can be submitted to the Danish Business Authority within four months after the expiry of the financial year.

Shareholders who wish a matter to be addressed at the Annual General Meeting must submit a written request to the Board of Directors no later than six weeks prior to the date of the Annual General Meeting. In addition to the Annual General Meeting,

Extraordinary General Meetings may be convened to deal with other specific matters.

Extraordinary General Meetings must be held upon request from the Board of Directors or the auditor elected by the General Meeting. In addition, shareholders that individually or collectively hold five percent (or more) of the share capital can make a written request to the Board of Directors that an Extraordinary General Meeting be held to deal with a specific matter. Extraordinary General Meetings to consider specific matters must be convened within two weeks of receipt of a request to such effect. In accordance with the Articles of Association, all General Meetings must be convened by the Board of Directors giving written notice between three and five weeks prior to the meeting. As regards the Annual General Meeting, the date of the intended meeting must be published no later than eight weeks prior to the date of such meeting and state the deadline for shareholder proposals. Notice of General Meetings must, observing the form and substance required under the Danish Companies Act, be published on [www.nordicwaterproofing.com](http://www.nordicwaterproofing.com). Furthermore, written notice of the General Meeting must be e-mailed to all shareholders who so request.

At the same time, it shall also be announced in Swedish daily newspaper Svenska Dagbladet that notice has been given. The notice is expected to specify the time and place of the General Meeting and contain the agenda of the business to be addressed at the General Meeting.

If a proposal to amend the Articles of Association is to be addressed at the General Meeting, a summary of such proposal must be included in the notice. For certain material amendments, the specific wording must be set out in the notice.

General meetings must be held in the City of Stockholm or the Municipality of Helsingborg in Sweden. Decisions made by the Annual General Meeting are published in a press release after the meeting and the minutes of the meeting are published on the company's website.

### Annual General Meeting 2018

The Annual General Meeting 2018 took place on 20 April in Helsingborg, Sweden with 51.4 percent of the votes represented. The Meeting approved the Annual Report for 2017 and a dividend of SEK 3.75 per share in accordance with the Board's proposal, approved fees for the Board of Directors and the auditor, discharged the Board and executive management from liability, and elected members to the Board of Directors

(re-election of Ulf Gundemark as Chairman of the Board, re-election of Jørgen Jensen and Riitta Palomäki, Mats O. Paulsson and Kristina Willgård, and new election of Allan Jørgensen) and elected the auditor (re-election of PricewaterhouseCoopers, authorized firm of auditors) for the period extending up until the next Annual General Meeting.

Among other things, the Meeting also approved a mandate to increase share capital (valid until Annual General Meeting 2019) and to acquire treasury shares corresponding to at most 10 percent of the number of shares outstanding in the company at any given time and authorization to decide on the introduction of a long-term performance-based compensation programme (LTIP 2018).

## 2 NOMINATION COMMITTEE

Nordic Waterproofing Holding A/S's shareholders have resolved to establish a Nomination Committee and to adopt rules of procedure for the Nomination Committee. According to the current rules of procedure for the Nomination Committee, the Nomination Committee shall consist of four members representing the largest shareholders in the company, as per the last banking day in August in the year before the Annual General Meeting, who wish to participate in the Nomination Committee. In addition to these four members, the Chairman of the Board must also be a member of the Nomination Committee. The instructions for the Nomination Committee follow the Code as regards the appointment of members.

The main duties of the Nomination Committee are to nominate candidates for the positions of Chairman of the Board and other members of the Board, and to submit proposals for fees and other remuneration to be paid to each of the members of the Board. Since 3 October 2018, the Nomination Committee ahead of Annual General Meeting 2019 consists of the following five persons:

- Viktor Henriksson, appointed by Carnegie funds and chairman of the Nomination Committee.
- Karen Phadke, appointed by Mawer Investment Management
- Joachim Spetz, appointed by Swedbank Robur
- Ulf Hedlundh, appointed by Svolder AB
- Ulf Gundemark, Chairman of the Board of Nordic Waterproofing Holding A/S.

On the forming of the Nomination Committee, it represented 36.1 percent of the voting rights for all shares in Nordic Waterproofing Holding A/S.

The Nomination Committee observes the rules regarding the independence of members of the Board as well as versatility and breadth. The Nomination Committee has declared that it has applied regulation 4.1 of the Code as its diversity policy. In addition, each member of the Nomination Committee has considered any potential conflict of interest before accepting the assignment, as stated in the Code. On the company's website, [www.nordicwaterproofing.com](http://www.nordicwaterproofing.com), a special section entitled "Nomination Committee" contains additional information about the Nomination Committee and its proposals to the Annual General Meeting.

#### Independence of the nominating committee

According to the Code, the majority of the members of the Nomination Committee are to be independent in relation to the company and company management. In addition, at least one of these must also be independent in relation to the largest shareholder in the company in terms of voting rights. Of the appointed members, all are independent in relation to the company and its management and the majority are independent in relation to the company's largest shareholder in terms of voting power.

#### Meetings of the Nomination Committee

The Nomination Committee ahead of Annual General Meeting 2019 has held five meetings. No fees have been paid for work on the Committee

### 3 BOARD OF DIRECTORS

The Board of Directors is the highest decision-making body after the General Meeting. The responsibilities of the Board of Directors are set out in the Danish Companies Act, the Articles of Association, and the Board's rules of procedure adopted by the Board of Directors. In addition, the Board of Directors must comply with the Code and Nasdaq Stockholm's Rule Book for Issuers, as well as other Swedish, Danish and other foreign laws and regulations, as applicable.

Members of the Board of Directors (other than employee representatives, if any) are appointed annually by the shareholders at the Annual General Meeting for the period until the next Annual General Meeting. The Articles of Association state that the Board of Directors (not including any employee representatives) must consist of a minimum of four members and a maximum of eight members. The Board of Directors currently consists of six ordinary members. The composition of the Board complies with the Code's requirements for independence in relation to both the company, its management and the company's major shareholders. The members of the Board are presented in closer detail on pages 50–51. Under Danish law, members of the Board of Directors may be removed at any time by the

shareholders in a General Meeting, by a simple majority of votes. Pursuant to the Code, no more than one member of the Board of Directors may be a member of the executive management of the company or a subsidiary. Furthermore, such Board member may not be the Chairman or the Deputy Chairman of the Board of Directors.

Similarly, under the Danish Companies Act, the majority of the members of the Board of Directors must be members who are not also members of executive management, and a Board member who is also a member of the executive management cannot be Chairman or Deputy Chairman of the Board of Directors.

Pursuant to the Danish Companies Act, the Board of Directors is responsible for Nordic Waterproofing's overall and strategic management. In addition to performing overall management duties and strategic management duties and ensuring proper organization of the company's business, the Board of Directors must, inter alia, ensure that:

- The bookkeeping and financial reporting procedures are satisfactory, having regard to the circumstances of the company.
- Adequate risk management and internal control procedures have been established.
- The Board of Directors receives requisite regular information about the company's financial position.
- The executive management performs its duties properly and as directed by the Board of Directors and.
- That the financial resources of the company are adequate at all times, and that the company has sufficient liquidity to meet its current and future liabilities as they fall due. The company is therefore required to continuously assess its financial position and ensure that the existing capital resources are adequate.

The Board of Directors has adopted, and regularly evaluates, a number of governing documents including the rules of procedure for the Board of Directors, executive management instructions, financial manual, treasury policy, IT policy, information security policy, diversity policy, code of conduct and whistleblower policy, information policy and insider and log book policy.

Adopted governance documents are implemented in the organization through the business unit managers. In addition, the Board of Directors regularly adopts and evaluates the Nordic Waterproofing's business plan, including goals, strategies, risks and budget, and reviews the company's website and ensures that such website has a special corporate governance section

containing a copy of, among other things, the most recent corporate governance report.

The Board of Directors also ensures that there are efficient systems for follow-up and control of the company's operations and that there is a satisfactory control of the company's compliance with laws and other regulations applicable to the company's operations.

#### Composition of the Board of Directors

The Annual General Meeting on 20 April 2018 resolved that the Board of Directors of Nordic Waterproofing Holding A/S shall have six members, elected by the Meeting, for the period until the end of the next Annual General Meeting. Accordingly, the Board consists of Ulf Gundemark (Chairman), Jørgen Jensen, Allan Jørgensen, Riitta Palomäki, Mats O. Paulsson and Kristina Willgård. All Board members have attended Nasdaq's stock market training course for Board and management. The average age of the Board members elected by the Annual General Meeting was 57 at the end of the year, and two of the six members were women. For information about the Board members' assignments outside the Group and holdings of shares in Nordic Waterproofing, see pages 50–51.

#### Independence of the Board of Directors

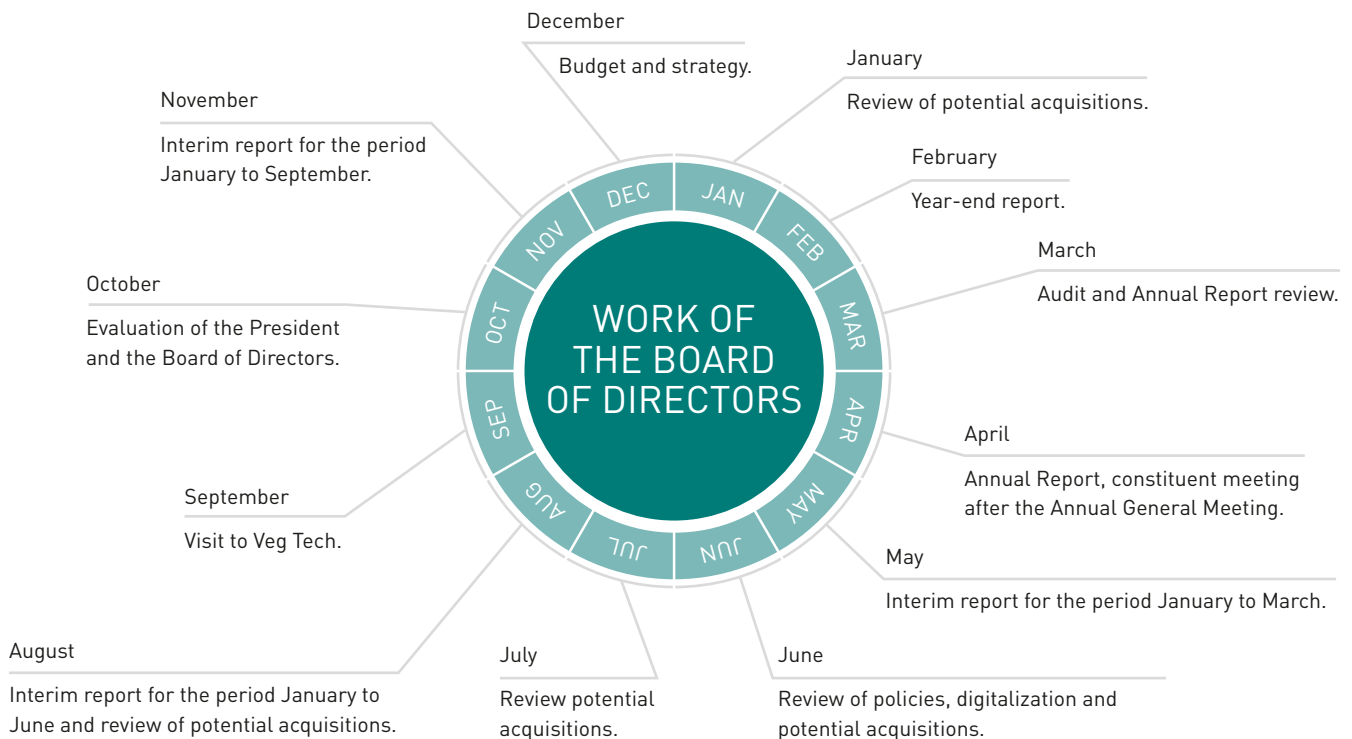
In accordance with the Code, the majority of the Board members elected by the Annual General Meeting shall be independent in relation to Nordic Waterproofing and its management and at least two of these shall also be independent in relation to the company's major shareholders. Of the Board's six members, all are independent in relation to the company and its management and in relation to the company's major shareholders.

#### Evaluation of Board performance

The Board of Directors regularly evaluates its work through a systematic and structured process with the purpose of developing the Board of Directors' work methods and efficiency. In addition, the Board of Directors evaluates the company's IT strategy and its implementation and monitors compliance with the policies, instructions and guidelines established by the Board of Directors. The Chairman is responsible for carrying out the evaluation and presenting the results to the Nomination Committee. The purpose of the evaluation is to gather the Board members' views on the Board's performance, what measures can be taken to improve the efficiency of Board work, and whether the Board has a well-balanced mix of competencies. The evaluation provides the basis for the work of the Nomination Committee ahead of the Annual General Meeting. In 2018, the Chairman conducted a self-assessment of the Board work performance including the collaboration between the CEO

## BOARD WORK IN 2018

A minimum of six ordinary Board meetings will be held each year. In 2018 the Board held 14 Board meetings (13). The work of the Board of Directors follows an annual cycle, in order for the Board to best fulfil its duties. Discussed at the beginning of the year are the year-end report and the Annual Report and the matters to be submitted to the Annual General Meeting. At the end of the year, the budget for the coming year is addressed. Each quarter, consolidated earnings are reported, and interim reports are approved for publication.



and CFO. This based on the principle of comparing "to be" with "as is" evaluations. The results have been communicated and discussed within the Board and senior management as well as the Nomination Committee.

### Board meetings

In 2018 the Board held 14 scheduled meetings. The CEO and the CFO, who is also the Board secretary, take part in the Board's meetings. Other executives take part as needed as rapporteurs for special items of business.

### BOARD COMMITTEES

#### 4 Remuneration Committee

Effective from 2017, the Board of Directors has established a Remuneration Committee. In 2018, the Remuneration Committee held two meetings at which minutes were kept. Three meetings are planned for 2019. The current Remuneration Committee consists of two members: Ulf Gundemark (chairman) and Kristina Willgård. The Remuneration Committee's main function is to:

- Consider and make decisions as to the framework for the remuneration of the CEO of the company, including but not limited to salary, salary increases, pension rights and any compensation or terminations payments, ensuring that the

contractual terms are fair to the individual and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognized.

- Consider and make decisions on issues concerning principles for remuneration and other terms of employment for the executive management, including evaluating whether the remuneration level of the CEO is in accordance with, and not exceeding, comparable market practice levels at any given time, including any incentive programmes.
- Consider and make decisions on remuneration matters of material importance to the company, including incentive programmes and payments for the CEO of the company. The decisions concerning the remuneration of the CEO, including any incentive programme shall be in accordance with, and not exceed, comparable market practice levels at any given time.
- Consider and make decisions on the targets (bonus levels and performance targets) for company-operated performance related incentive programmes for executive managers of the Company, as well as monitoring and evaluating the fulfilment of such targets.

- Monitor and evaluate programmes for variable remuneration, both ongoing and those that have ended during the year, for the executive management.
- Monitor and evaluate the application of the guidelines for remuneration that the Annual General Meeting is legally obliged to establish, as well as the current remuneration structures and levels in the company.
- Oversee the implementation of any pension, retirement, fatality, disability or life assurance scheme and any incentive schemes for executive managers of the company.
- Review its own terms of reference and effectiveness on the above, on an annual basis.

#### 5 Audit Committee

The Board of Directors has internally established an Audit Committee, which must comprise three members. The Audit Committee prepares proposals for the Board of Directors which either adopts resolutions on the matters or, if appropriate, decides upon proposals for resolutions to be adopted by the shareholders at General Meetings. In 2018, the Audit Committee held five meetings at which minutes were kept. Five meetings are planned for 2019.



The current Audit Committee consists of three members: Jørgen Jensen (Chairman), Riitta Palomäki and Mats O. Paulsson. Its main duties, without having any impact on the duties and responsibilities of the Board of Directors, are to assist with oversight of:

- The company's financial reporting.
- Systems of internal control and risk management related to finances.
- External audit of the Annual Report.
- Control of the auditor's independence, including oversight of non-audit services.
- Preparing a recommendation to the Board of Directors as regards the auditor to be nominated by the Board of Directors and elected by the Annual General Meeting.

## 6 EXECUTIVE MANAGEMENT

Pursuant to the Danish Companies Act and the Articles of Association, the Board of Directors appoints and removes the members of an executive management, which is responsible for the day-to-day management of Nordic Waterproofing Holding A/S.

The Articles of Association state that an executive management consisting of one to five members must be appointed. Currently, the company has only appointed one member to the executive management: Martin Ellis as CEO (*Danish: Administrerende Direktør*).

The executive management reports to the Board of Directors. The executive management's responsibilities are set out in the Danish Companies Act, the Articles of Association, directions and instructions given by the Board of Directors, and other internal regulations and instructions established by the Board of Directors. In addition, the executive management is required to comply with the Code and Nasdaq Stockholm's Rule Book for Issuers, as well as other Swedish, Danish and other foreign laws and regulations, as applicable.

The executive management must, *inter alia*, take any measures necessary to ensure the company's bookkeeping is maintained pursuant to law and that the management of funds is conducted in a sound manner. The executive management may in specific cases be authorized by the Board of Directors to carry out management-related measures, which are outside the scope of the company's day-to-day business.

## 7 GROUP MANAGEMENT

The executive management is supported by a number of senior officers of the company. Together with the executive management, these senior officers of the subsidiaries, constitute the Group Management team. Martin Ellis has been the CEO of Nordic Waterproofing since October 2015. In addition to the CEO, Group Management

consists of the CFO and the seven business unit managers (Denmark, Finland, Norway, Sweden, SealEco, Taasinge Elementer and Veg Tech). The CEO and other members of the Group Management team are presented in more detail on pages 52–53.

The Group Management team conducts management meetings at regular intervals and held eleven meetings in 2018. The meetings are focused on the Group's strategic and operative development and financial performance. In addition to these meetings, the senior executives work in close daily cooperation regarding various matters.

## REMUNERATION FOR BOARD MEMBERS AND GROUP MANAGEMENT

### Board of Directors

Fees and other remuneration for members of the Board of Directors, including the Chairman of the Board, are determined by the company's shareholders at the Annual General Meeting based on proposals made by the Board of Directors and the Nomination Committee. The Annual General Meeting has resolved that fees be payable for the 2018 accounting year as follows: SEK 500,000 to the Chairman of the Board and SEK 275,000 to each of the other Board members. Remuneration for the Chairman of the Audit Committee amounts to SEK 100,000 and each member of the Audit Committee is paid SEK 50,000. Board members are not entitled to any special benefits on resigning from the Board of Directors.

### Executive Management and Group Management team

The Board of Directors' policy is that salaries and other benefits be on market terms and adequate to attract sufficiently qualified employees for the relevant positions. The Board of Directors determines the remuneration payable to the members of executive management, including the CEO. The salaries for the members of executive management consist of a fixed salary, variable salary and other benefits. The annual salary of the company's CEO amounts to EUR 0.5 m, together with a variable portion of at most 60 percent of annual salary.

The CEO, supported by the Board of Directors, determines the remuneration payable to other members of Group Management. The salaries to the members of Group Management consist of a fixed salary and pension, and the possibility to receive variable salary and other benefits. The variable salary to which the company's CEO and CFO and the seven business unit heads are entitled is capped at 60 percent of their fixed salary.

The members of the executive management team and Group Management will be offered a salary which is on market terms and based on each individual's responsibili-

ties, expertise and performance. In addition, the Annual General Meeting may resolve to offer long-term incentive schemes such as equity-based and share price-based incentive schemes. The purpose of these incentive schemes will be to contribute to long-term value growth and provide a shared interest in value growth for shareholders and employees. For further information on remuneration to the Board of Directors and Group Management, see pages 50–53 and 72–73 respectively, and Note 7.

The long-term performance-based remuneration programmes (LTIP 2017 and LTIP 2018 respectively) aim at strengthening Nordic Waterproofing's ability to retain the most talented individuals in key positions, and at stimulating participants to increase their efforts by linking their financial interests and perspectives with those of shareholders. LTIP 2017 and LTIP 2018 will run over a period of three years, with the outcome being dependent on the fulfilment of various financial performance requirements. To obtain the maximum allocation of rights to performance shares in LTIP 2018, EBIT growth over the period 1 January 2018 to 31 December 2020 must correspond to an annual average of 12 percent. More information on LTIP 2017 and LTIP 2018, is provided on page 73.

## 8 BOARD OF DIRECTORS' REPORT ON INTERNAL CONTROL AND FINANCIAL REPORTING

The responsibilities of the Board of Directors and the executive management for financial reporting and internal control is, among other things, governed by the Danish Accounting Act, the Danish Annual Reports Act, the Danish Companies Act and the Code.

The Board of Directors regularly considers whether it would be expedient to include additional financial and non-financial information in the company's financial reports. The Board of Directors regularly assesses the material risks associated with the company's operations, the implementation of the company's strategy and the risks associated with the financial reporting and seeks to ensure that such risks are managed in a proactive and efficient manner.

As part of the company's risk management, various internal control systems have been established, which are reviewed regularly by the Board of Directors to ensure that such systems are appropriate and sufficient in the context of the company's business and operations. The company's Annual Report includes information about the management of operational risks. The financial reporting and internal controls are aimed at providing the Board of Directors and executive management with reasonable assurance that:

- reporting by the executive management is reliable and in compliance with internal policies and procedures and gives a true and fair view of the company's financial performance and financial position
- material risks are identified and minimized
- internal controls are in place to support the quality and efficiency of the business processes and to safeguard the company's business and assets and
- business is conducted in compliance with applicable laws, regulations and internal policies.

### CONFLICT OF INTEREST TRANSACTIONS

Under the Danish Companies Act, no member of the Board of Directors or executive management may participate in the transaction of business that involves any agreement between the company and that member, or legal proceedings against that member, or the transaction of business that involves any agreement between the company and a third party, or legal proceedings against a third party, if the member has a material interest in such business and that material interest could conflict with the interests of the company.

### 9 AUDITING

Pursuant to the Articles of Association, the Annual General Meeting must appoint a state-authorized public accountant to audit Nordic Waterproofing's accounts. The company's auditor is PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab with Lars Almskou Ohmeyer as the principal auditor. Lars Almskou Ohmeyer is currently also the auditor for the Danish

subsidiaries. For 2018, the total remuneration to the company's auditor amounted to SEK 7.0 m (9.5). The total remuneration to other auditors in the Group during the period amounted to SEK 0.3 m (0.3). Please refer to Note 36 for further information.

The auditor is appointed for a term of one year by the shareholders following a proposal by the Board of Directors and following recommendation from the Audit Committee. The scope of the auditor's duties, including audit and non-audit duties, is agreed annually between the Board of Directors and the auditor based on recommendations by the Audit Committee. The company has regular discussions and regularly exchanges information with the auditor. To ensure that the dealings of the Board and Audit Committee's treatment are conducted in a structured manner, and to meet the Board's information requirements, Nordic Waterproofing's auditors met the Audit Committee on two occasions in 2018.

The auditor is obliged to attend the Annual General Meeting and is entitled to attend other General Meetings. At the Annual General Meeting, the auditor is obliged to answer questions raised relating to the Annual Report. The auditor is also entitled to attend any Board meeting at which the Annual Report of the company is presented and – under the Board's rules of procedure – any other Board meetings at which financial statements are considered, on which the auditor must provide a statement.

### INFORMATION POLICY AND INSIDER AND LOGBOOK POLICY

Nordic Waterproofing has prepared an information policy and an insider policy for the purpose of informing employees and other relevant parties at the company about the laws and regulations applicable to the distribution of information by the company, and the special requirements imposed on persons who are active in a listed company with regard to, among other things, price-sensitive information. In this context, the company has established routines for handling the distribution of information.

### THE IR FUNCTION

The IR function is headed by the company's CFO. Its primary duties are to prepare quarterly and Annual Reports, analyst conferences, General Meetings and capital market presentations, and to regularly report on IR activities. External financial information is regularly provided in the form of:

- Interim reports
- Annual Report
- Regulatory, as well as non-regulatory press releases
- Presentations for financial analysts, investors and the media on the date of publication of the year-end and interim reports
- Meetings with financial analysts, investors and media representatives.

### ADDITIONAL INFORMATION

Visit [www.nordicwaterproofing.com](http://www.nordicwaterproofing.com) for information such as the Articles of Association, the Code of Conduct, and information from previous General Meetings as well as media releases.

## REQUIREMENT TO DISCLOSE SHAREHOLDINGS

Since Nordic Waterproofing Holding A/S's registered office is located in Denmark, the Swedish Financial Instruments Trading Act (1991:980) provides that corresponding Danish rules apply as regards the requirement to disclose shareholdings.

For the purpose of designating the home member state pursuant to the Transparency Directive (2004/109/EC, as amended), Denmark is the company's home member state. Pursuant to section 38 of the Danish Capital Markets Act, holders of shares in Danish companies with shares admitted to trading on Nasdaq Stockholm are required to give simultaneous notice to the company and the Danish FSA of the shareholdings in the company immediately, when the shareholding reaches, exceeds or falls below thresholds at intervals of 5, 10, 15, 20, 25, 50 or 90 per cent. and limits of 1/3 or 2/3 of the voting rights or nominal value of the total share

capital. When a company has received a notification, it must publish the content of the notification as soon as possible.

Holders of shares in a company mean a natural or legal person who, directly or indirectly, holds

- 1) shares in the company on behalf of himself and for his own account,
- 2) shares in the company on behalf of himself, but for the account of another natural or legal person, or
- 3) share certificates, where such holder is considered a shareholder in relation to the underlying securities represented by the certificate.

The notification must be made immediately and during the same trading day (before midnight) of the transaction and in accordance with the provisions of the Executive Order no. 1256 of 5 November 2015 and must state the number of voting rights

and shares held directly or indirectly following the transaction.

The notification must further state the transaction date on which the threshold was reached or no longer reached and the identity of the shareholder as well as the identity of any natural or legal person with the right to vote on behalf of the shareholder. In the case of a group structure, the chain of controlled undertakings through which voting rights are effectively held shall also be disclosed. The information must be notified to the company and simultaneously submitted electronically to the Danish FSA. Failure to comply with the notification requirements is punishable by fine.

Please refer to [www.nordicwaterproofing.com](http://www.nordicwaterproofing.com) under the headline Shareholders for more information.

# BOARD



Name	Ulf Gundemark	Jørgen Jensen	Allan Lindhard Jørgensen
Position	Chairman of the Board since 2015. Chairman of the Remuneration Committee. Member of the Nomination Committee.	Board member since 2015. Chairman of the Audit Committee.	Board member since 2018.
Year elected	2015	2015	2018
Born	1951	1968	1965
Nationality	Swedish	Danish	Danish
Other assignments	Board member of AQ Group AB, GUMACO AB, Opti Group AB, Ripasso Energy AB and Lantmännen ekonomisk förening.	CEO of Widex A/S and Board member of several subsidiaries of Widex A/S. Board member and CEO of JFJ Invest ApS. Board member of DFDS A/S, and Vice Chairman of the Board of Velux A/S.	CEO of Dovista A/S. Chairman of the Boards of Velfac A/S, Rational Vinduer A/S, and Svenska Fönster AB. Board member of OH Industri A/S, and Pankas A/S.
Previous assignments	Chairman of Bridge to China AB, Chairman and Board member of Lindab International AB and Ripasso Energy Systems AB, and Board member of Scandi Standard AB, Solar A/S, Lønne International AS and Constructor Group A/S.	President and CEO of Nilfisk-Advance A/S, Chairman of the Board of Alto Danmark A/S and several companies in the Nilfisk Group, Board member and member of the Audit Committee of Auriga A/S and Board member of TCM A/S.	Board member of Huscompagniet A/S, CEO of Kemp & Lauritzen A/S, COO of NCC AB, CEO of Eurodan-huse A/S, chief accountant with Eurodan-huse A/S, auditor with PricewaterhouseCoopers A/S.
Education	Master of Science in Electrotechnology from Chalmers University of Technology, Gothenburg, Sweden. Supplementary courses at IFL and INSEAD.	Master of Science in Economics from Aarhus University, Denmark.	Bachelor of Commerce, Accounting, Copenhagen Business School, Denmark.
Independent in relation to major shareholders	Yes.	Yes.	Yes.
Independent in relation to the company	Yes.	Yes.	Yes.
Shareholding in Nordic Waterproofing <sup>1)</sup>	34,000 shares. Has purchased 7,500 NWG shares during 2018.	20,976 shares. Has not traded in the NWG share during 2018.	0 shares. Has not traded in the NWG share during 2018.
Participation in Board meetings	14 of 14 meetings.	11 of 14 meetings.	9 of 11 meetings.
Audit Committee attendance	–	5 of 5 meetings.	–
Remuneration committee attendance	2 of 2 meetings.	–	–
<b>Fees in 2018<sup>2)</sup></b>			
Board assignments	SEK 500,000	SEK 275,000	SEK 183,333
Committee assignments	–	SEK 100,000	–
<b>Total 2018</b>	<b>SEK 500,000</b>	<b>SEK 375,000</b>	<b>SEK 183,333</b>

1) Own shares and shares held by closely related parties. Board assignments and holdings in Nordic Waterproofing as stated above reflect the situation as per 31 December 2018. This information is updated regularly at [www.nordicwaterproofing.com](http://www.nordicwaterproofing.com).

2) The fees paid to the members of the Board of Directors elected by the Annual General Meeting are approved by the Annual General Meeting based on the proposals of the Nomination Committee. For the 2018 calendar year, remuneration was paid as per Note 7. No consulting fees were paid to Board members. Remuneration excludes travel allowances.



Name	Riitta Palomäki	Mats O. Paulsson	Kristina Willgård
Position	Board member since 2016. Member of the Audit Committee.	Board member since 2017. Member of the Audit Committee.	Board member since 2017. Member of the Remuneration Committee.
Year elected	2016	2017	2017
Born	1957	1958	1965
Nationality	Finnish	Swedish	Swedish
Other assignments	Member of the Audit Committee and Member of the Supervisory Board at OP Cooperative.	Chairman of the Boards of Caverion Oy, Nordisk Bergteknik AB, KEWAB, AKEAB, and Mark & Energibyggarna AB. Board member of Eleda Acquisition AB, and Bösarps Grus & Torrbruk AB.	CEO of AddLife AB, Chairman of the Board of AddLife Development AB, Board member of Mediplast AB, Biolin Scientific AB, and Biomedica Medizinprodukte GmbH, and assignments as member and shareholder in Willgård AB.
Previous assignments	Board member, Chair of the Audit Committee and member of the Remuneration Committee at HKScan Oyj, Executive Vice President and CFO of Uponor Oyj, Board member and Chair of the Audit Committee of Componenta Oyj, CFO of Kuusakoski Group, various managerial positions at Konecranes and ABB Finland.	CEO of Bravida AB, CEO of Strabag Scandinavia AB and CEO of Peab Industri AB. Member of the boards of Acando AB, Paroc Oy, Ramirent Plc, BTH Bygg AB, and WinGroup AG.	CFO of Addtech AB, Finance Director at Ericsson AB, CFO of Netwise AB, CFO of Acando AB and auditor at Arthur Andersen, among other managerial positions. Board member of Serneke Group AB.
Education	Master of Science in Accounting and ICT from Turku School of Economics and Business Administration, Finland.	Master of Science in Engineering from Lund University of Technology, Sweden.	Master of Science of Economics, Lund University, Sweden.
Independent in relation to major shareholders	Yes.	Yes.	Yes.
Independent in relation to the company	Yes.	Yes.	Yes.
Shareholding in Nordic Waterproofing <sup>1)</sup>	3,000 shares. Has not traded in the NWG share during 2018.	15,000 shares. Has not traded in the NWG share during 2018.	0 shares. Has not traded in the NWG share during 2018.
Participation in Board meetings	13 of 14 meetings.	12 of 14 meetings.	12 of 14 meetings.
Audit Committee attendance	5 of 5 meetings.	5 of 5 meetings.	-
Remuneration committee attendance	-	-	2 of 2 meetings.
<b>Fees in 2018<sup>2)</sup></b>			
Board assignments	SEK 275,000	SEK 275,000	SEK 275,000
Committee assignments	SEK 50,000	SEK 50,000	-
<b>Total 2018</b>	<b>SEK 325,000</b>	<b>SEK 325,000</b>	<b>SEK 275,000</b>

1) Own shares and shares held by closely related parties. Board assignments and holdings in Nordic Waterproofing as stated above reflect the situation as per 31 December 2018. This information is updated regularly at [www.nordicwaterproofing.com](http://www.nordicwaterproofing.com).

2) The fees paid to the members of the Board of Directors elected by the Annual General Meeting are approved by the Annual General Meeting based on the proposals of the Nomination Committee. For the 2018 calendar year, remuneration was paid as per Note 7. No consulting fees were paid to Board members. Remuneration excludes travel allowances.



## GROUP MANAGEMENT



Name	Martin Ellis	Jonas Olin	Petter Holth	Bengt-Erik Karlberg	Mats Lindborg
Position	President and CEO.	Chief Financial Officer (CFO).	Head of Nordic Waterproofing Norway.	Head of Veg Tech.	Head of Nordic Waterproofing Sweden.
Employed since	2011	2007	2012	2005	1986
In current position since	2015	2011	2017	2018	2011
Born	1956	1972	1959	1969	1964
Nationality	British	Swedish	Norwegian	Swedish	Swedish
Education	Diploma from HEC Paris Business School, France. In addition, attended Stern Business School in New York, US and Getulio Vargas Business School in Sao Paulo, Brazil.	B. Sc. economics and business accounting, Lund University, Sweden.	Four-year technical high school diploma in Building and Civil Engineering from Gjøvik Tekniske Fagskole, Norway.	Development Engineer (B.Sc.) Halmstad University, Sweden. Trained reserve officer in the Royal Swedish Air Force.	Four-year technical high school diploma in Building and Civil Engineering from Erik Dahlbergs Gymnasium in Jönköping, Sweden.
Selection of previous positions	CEO of Nordic Waterproofing and Chairman of the Board of Nordic Waterproofing. 30 years of experience as CEO and other leading positions, including at Icopal (CEO) and Saint Gobain (President of the Building Materials Division).	20 years of experience as CFO, controller and auditor, including Trelleborg Waterproofing, Abdon Finax, IKEA Industry and Mazars.	30 years of experience of sales and marketing in the building industry. CEO of Nortett Bygg A/S.	More than 20 years of senior management experience, including at Veg Tech and Mekra Lang.	30 years of experience in sales and marketing positions, including at Trelleborg Waterproofing.
Shareholding in Nordic Waterproofing <sup>1)</sup>	366,270 shares. Has not traded in the NWG share during 2018.	50,010 shares. Has not traded in the NWG share during 2018.	154,395 shares. Has not traded in the NWG share during 2018.	15,000 shares. Has purchased 15,000 NWG shares during 2018.	61,414 shares. Has not traded in the NWG share during 2018.

1) Own and closely related. Holdings in Nordic Waterproofing as stated above reflect the situation as per 31 December 2018.

### PRINCIPLES FOR REMUNERATION

The following are the principles for remuneration of senior executives adopted by the 2018 Annual General Meeting:

Members of the company's Board of Directors and Executive Management receive a fixed annual remuneration. In addition, members of the Board of Directors and Executive Management may receive incentive-based remuneration consisting of cash bonus (including cash bonuses based on development in the share price) – on an ongoing, one-off and event-based basis.

### CASH BONUS REMUNERATION

Cash bonus schemes may consist of an annual bonus, which the individual member of the Board of Directors and the executive management can receive if specific targets of the company and other possible personal targets for the relevant year are met. The cash bonus shall be equivalent to at most 100 percent of the fixed base

salary of each eligible participant from the Board of Directors and the executive management. Payment of bonus is only relevant when conditions and targets have been fully or partly met (as agreed). If no targets are met, no bonus is paid out.

Targets for the Board of Directors shall be agreed upon by the Board of Directors and the Nomination Committee. Targets for the executive management shall be agreed upon by the Board of Directors and the executive management.

Other bonus schemes that may lead to cash bonuses of up to 100 percent of the base salary may be made in special cases. Such schemes shall typically be made so as to take effect upon the occurrence of a specific event. Subject to the restrictions of applicable law, specific events can be the acquisition of a controlling interest in a company, the completion of a takeover bid, or the completion or reaching of other significant transactions or objectives.



Name	Esa Mäki	Paul Erik Rask	Martin Tholstrup	Thomas Zipfel
Position	Head of Nordic Waterproofing Finland.	Head of Nordic Waterproofing Denmark.	Head of Taasinge Elementer.	Head of SealEco.
Employed since	2017	1992	2017	2009
In current position since	2017	2011	2017	2011
Born	1969	1962	1976	1961
Nationality	Finnish	Danish	Danish	Swedish
Education	Master of Science in building economics and a Bachelor in building construction technology from Tampere University, Finland.	Bachelor in Business Administration from Aarhus University, a Bachelor in Marketing from Aalborg University and an Executive Master of Business Administration from the Scandinavian International Management Institute in Copenhagen. Has also studied the Advanced Management Programme at INSEAD.	Carpenter from Svendborg Erhvervsskole, Denmark and an AP degree in Construction Technology from Erhvervsakademiet Lillebælt, Denmark.	Master of Science in electronics engineering from Industrie und Handelskammer in Bochum, Germany. In addition, he has studied an Executive Marketing Program and Executive Management Program at IFL, Stockholm School of Economics, Sweden.
Selection of previous positions	CEO of Nesco Group and various managerial positions at Icopal Finland and other companies in the building material industry.	30 years of experience of leading positions and sales and marketing, including at Trelleborg Phønix A/S.	CEO of AtticGroup A/S and AtticGroup AB, and 20 years of experience from development, sales and prefabrication within the construction industry.	20 years of experience of managing positions, including at Trelleborg Waterproofing.
Shareholding in Nordic Waterproofing <sup>1)</sup>	12,055 shares. Has purchased 8,000 NWG shares during 2018.	103,683 shares. Has not traded in the NWG share during 2018.	19,000 shares. Has not traded in the NWG share during 2018.	90,504 shares. Has not traded in the NWG share during 2018.

1) Own and closely related. Holdings in Nordic Waterproofing as stated above reflect the situation as per 31 December 2018.

## REMUNERATION OF GROUP MANAGEMENT

SEK M		Fixed salary	Variable salary	Other benefits	Total	Pension	Total including pension
<b>CEO</b>	<b>2018</b>	<b>5.1</b>	<b>3.1</b>	<b>0.0</b>	<b>8.2</b>	<b>0.0</b>	<b>8.2</b>
	2017	5.0	2.5	0.0	7.5	0.0	7.5
<b>Group Management (8 persons)</b>	<b>2018</b>	<b>13.5</b>	<b>4.7</b>	<b>1.2</b>	<b>19.4</b>	<b>2.2</b>	<b>21.6</b>
	2017	11.5	3.8	1.1	16.4	2.5	18.9
<b>Total</b>	<b>2018</b>	<b>18.6</b>	<b>7.8</b>	<b>1.2</b>	<b>27.6</b>	<b>2.2</b>	<b>29.8</b>
	2017	16.5	6.3	1.1	23.9	2.5	26.4