

Remuneration Policy of Nordic Waterproofing Holding A/S

This Remuneration Policy describes the principles for salary and remunerations to the Board of Directors and the Executive Management.

The contribution of the guidelines to business strategy, long-term interests and sustainability

The business strategy for the company includes the areas of Proximity to the customer, Leading product portfolio and Market expansion. The company strives to conduct its business in an environmentally and socially sustainable way. Sustainability issues are therefore an integral part of the business strategy.

For further information on the company's business strategy, please refer to <https://www.nordicwaterproofing.com/about-us/strategy/>

The Remuneration Policy is designed to attract, retain and motivate the board members and the executives at a competitive level. Remuneration is designed to align the interests of the executives with those of the shareholders.

Board remuneration

The remuneration of the Board comprises a fixed annual fee, additional fees for the Chairmanship and members of the board committees and reimbursed travel expenses. Members of the Board of Directors may receive an incentive-based remuneration that may consist of cash bonuses (including cash bonuses based on share price development (DK. fantomaktier) or similar) – based both current, one-off or situational decisions and fees for ad hoc tasks

Each Board member shall receive an annual fixed fee, when determined taking into consideration the remuneration level of comparable Swedish companies and shall not exceed what is considered reasonable with regard to the Company's financial position at all times. The fixed fee should be the same for all members of the Board of Directors.

In addition to the base fee, the chairman and deputy chairman (if any) of the Board of Directors may receive a multiple fixed fee hereof. The chairman of the Board of Directors may receive an additional fixed fee of up to 100% of the base fee and the deputy chairman of the Board of Directors may receive an additional fixed fee of up to 50% of the base fee.

The members of the Board of Directors may receive additional compensation for their work on the Remuneration Committee and the Audit Committee and in any other committee established by the Board of Directors from time to time. Any such compensation shall be determined after consideration of the exact scope and workload applicable to the work in the committees and subject to the below limitations:

- Members of the Remuneration Committee may receive an additional fixed fee of up to 15% of the base fee. The chairman of the Remuneration Committee may receive an additional fixed fee of up to 25% of the base fee.
- Members of the Audit Committee may receive an additional fee of up to 25% of the base fee. The chairman of the Audit Committee may receive an additional fee of up to 50% of the base fee.

Reasonable expenses for travel and accommodation in relation to Board meetings are reimbursed.

The payment of cash bonuses may consist of an annual bonus received by each member of the Board of Directors if specific objectives for the company or other personal targets are achieved for the relevant year. The cash bonus shall correspond to a maximum of 100 per cent of the fixed basic fee of each eligible director. The payment of bonuses is only relevant when terms and targets have been achieved, either in full or in part (according to agreement). No bonus is paid if the targets are not achieved. The

objectives for directors shall be decided in consultation between the Board of Directors and the Remuneration Committee.

Individual Board members may take on specific ad hoc tasks outside their normal duties assigned by the Board. In each such case the Board shall, based on a recommendation from the Remuneration Committee, determine a fixed fee (e.g. per diem) for the work carried out related to those tasks. The fee for ad hoc tasks will be disclosed in the Remuneration Report and presented for approval by the shareholders at the Annual General Meeting.

Executive Management remuneration

The remuneration package for the Executive management consists of a base salary, a pension contribution, a short-term cash-based incentive, a long-term share-based incentive and other benefits. Members of the Executive management may be awarded additional bonus under specific conditions.

Base salary levels are determined taking into account the nature of the individual role, individual considerations, the market positioning and remuneration conditions within Nordic Waterproofing. Potential annual percentage increases are aligned with those of employees in general, except in specific circumstances. In addition, the base salary is reviewed annually to ensure that it is set at the right level.

Pension benefits may be paid to the CEO in the form of premium-based solutions and shall not exceed 35% of the fixed yearly salary.

Other members of the Executive Management, which operates in Sweden and has an employment contract under Swedish terms, has ITP (the collective agreement for officials). Member of the Executive Management who has employment contracts according to other country's conditions have pension solution in accordance with local practice, whereby the principles of these guidelines as far as possible shall be met.

Pension premiums for a defined-contribution pension shall not exceed 35 per cent of the fixed yearly cash salary.

The payment of short-term cash bonuses may consist of an annual bonus received by each member of the Executive management if specific objectives for the company or other personal targets are achieved for the relevant year. The cash bonus shall correspond to a maximum of 100 per cent of the fixed basic salary of each eligible member of the Executive management. The payment of bonuses is only relevant when terms and targets have been achieved, either in full or in part (according to agreement). No bonus is paid if the targets are not achieved. The objectives of the Executive management shall be decided by the Board of Directors.

Long-Term-Incentive Program(LTIP) is a reoccurring share-based long-term incentive program linked to the achievement of predefined targets. LTIP will have a three-year performance and vesting periods and shall always be decided by both the AGM and the Board of Directors.

For any given financial year, the total value awarded under the LTIP cannot exceed 50% of the fixed annual salary at the time of award for the CEO, 40% of the fixed annual salary at the time of award for any other member of the Executive Management and 30% of the fixed annual salary at the time of award for any other manager participating in the LTIP. The total share-based instruments allotted annually to members of the Executive Management Board under LTIP cannot exceed 2% of the shares of the Company.

The exercise price of share-based instruments will be the average closing share price over the last 10 banking days in the month proceeding the date of the decision by the Board of Directors to initiate the relevant LTIP.

The share-based instruments vest depending on and in proportion to achievement of the KPIs determined by the Board of Directors and by the AGM, that are measured over minimum a three years' performance period. Unvested share-based instruments will be forfeited in the event that a member of the LTIP resigns

during the vesting period.

For additional details on the current LTIP:s , see the company's webpage.

Other benefits offered shall be market-based and may consist of cars, fuel and medical care. The total value of these benefits shall, in relation to the total remuneration, represent a limited value and correspond to what is customary on the market, totalling not more than 10 % of the annual cash salary

Other bonus agreements, which may result in compensation in the form of cash bonuses up to 100% of the basic salary, may be awarded under specific conditions. Such payments shall typically be made as an effect of a specific event. Subject to restrictions arising from the relevant legislation, such events may include the acquisition of a control item in a company, the completion of a company acquisition, the conduct of other important transactions or the achievement of other objectives.

Details of criteria and conditions for the distribution of variable remuneration

The purpose of variable remuneration is to motivate and reward value-creating activities that promote Nordic Waterproofing's long-term business strategy and interests. The variable cash remuneration shall be linked to predetermined and measurable criteria, mainly financial targets such as EBITDA developments and growth targets. They may also consist of personalised quantitative or qualitative targets. The criteria shall be designed to promote the company's business strategy and long-term interests, including its sustainability, by, for example, having a clear link with the business strategy or promoting the long-term development of the executive management.

Compliance with criteria for the payment of short variable cash compensation shall be measurable over a period of one year and may not exceed 100 % of the total fixed cash salary during the measurement period. At the end of the measurement period for variable cash payment, the Remuneration Committee shall assess the extent to which the criteria have been met. In the case of financial targets, the assessment shall be based on the most recently published financial information by the company.

Termination of employment

The period of notice may not exceed 24 months in the event of termination by the Company in respect of the CEO and a maximum of 12 months in the event of termination of other executives. The first cash salary during the period of notice and the severance pay may not, taken together, exceed an amount equal to the fixed cash salary for two years for the CEO and one year for other executives. The period of notice may not exceed 12 months, without the right to severance pay, in the event of termination by the CEO and may not exceed 6 months, without the right to severance pay, in the event of termination by other executives.

Salary and conditions of employment for employees

The salary and conditions of employment of the company's employees have been taken into account when preparing these remuneration guidelines by providing information on employees' total remuneration, the components of remuneration and the increase and rate of remuneration over time as part of the decision-making documents of the Remuneration Committee and the Board of Directors in evaluating the fairness of the guidelines and the limitations resulting therefrom. In the remuneration report produced in respect of the remuneration paid and outstanding remuneration covered by the guidelines, the development of the distance between the remuneration of the company management and the remuneration of other employees will be reported.

Decision-making process for the definition, review and implementation of guidelines

The Board of Directors has established a Remuneration Committee with the main tasks of preparing the Board's decisions on matters relating to remuneration principles, remuneration and other terms of

employment for the Executive Management. The Remuneration Committee shall also monitor and evaluate ongoing and during the year completed variable remuneration programmes.

The Board of Directors shall draw up proposals for new guidelines at least every four years and submit the proposal to the Annual General Meeting for resolution. During the Board's consideration and decisions on remuneration-related matters shall, to the extent that they are affected by the matters, the CEO or other members of the Executive Management not attend. Thereby it is ensured that no conflicts of interests arise in connection with the determination and revision of the remuneration policy.

Derogation from the Remuneration policy guidelines

The Board of Directors may decide to temporarily derogate part of the guidelines in whole or in part if, in an individual case, there are special reasons for doing so and a deviation is necessary to satisfy the company's long-term interests, including its sustainability, or to ensure the financial viability of the company. As stated above, it is part of the Remuneration Committee's task to prepare the Board's decisions on remuneration issues, which includes decisions on deviations from these guidelines. The Board of Directors is, under the described circumstances, entitled to derogate in the areas of base salary, pension contribution, a short-term cash-based incentive and other benefits to the Executive Management

Description of significant changes in the guidelines and how shareholders' views have been taken into account

The proposal is in all material respects with the guidelines approved at the 2019 Annual General Meeting. However, due to new rules, more details are now given than before but no difference in the composition or design of remuneration to senior executives compared to the past is being suggested.

Approval and publication

The remuneration policy has been approved at the Company's annual general meeting on 15 June 2020 and shall apply until the 2024 Annual General Meeting unless circumstances arise that mean that revisions must take place earlier. It is available on the Company's website for as long as it is applicable.