

COWI Remuneration Policy



Introduction

This Remuneration Policy describes the principles for the remuneration of the members of the Board of Directors (the Board) and of the members of the Executive Management (the Executives), who have been registered as executives of COWI Holding A/S, CVR. no. 32892973, with the Danish Business Authority.

General principles

The Remuneration Policy provides a framework for remuneration of the members of the Board and the Executives of COWI Holding A/S for work performed for COWI Holding A/S, including all its subsidiaries (collectively, including COWI Holding A/S, the COWI Group).

The Remuneration Policy is designed (i) to attract, retain and motivate the Board and the Executives at a competitive level; (ii) to create a strong link between remuneration and achievement of the strategic goals and financial performance – both short-term and long-term – for the Executives by providing a significant proportion of their total remuneration in performance-based incentives; and (iii) to align the interests of the Board and Executives with those of the shareholders.

The Remuneration Policy is based on five cornerstones:

- > **One approach to remuneration and reward**
On top of the basic salary, incentives and benefits, non-monetary benefits such as further education and a global working environment comprise vital parts of the total remuneration package.
- > **Market-driven**
Wages, incentives and benefits are set and kept at an average to global median remuneration levels. Also, COWI offers a pension scheme as well as life and health insurances as appropriate.
- > **Performance-driven**
There is a transparent, direct connection between performance and remuneration. Variable remuneration is used to award performance, whereas increased base salary reflects market conditions.
- > **Transparency**
Clear communication on our remuneration policy is a priority: The variable part is simple, transparent, and easy to understand and calculate. All costs related to remuneration are known and publicly available.
- > **Flexibility**
We encourage flexibility within the framework of good corporate governance and current legislation. Flexible solutions are to be cost-neutral and an adequate level of insurance is to be maintained.

Board remuneration

Composition

The remuneration of the Board is a base fixed fee and a multiplier of the base fixed fee for the Chairmanship.

Board members are not offered options, warrants or participation in other incentive schemes. If shares in COWI Holding A/S are offered to the employees in the COWI Group as part of an ordinary share programme, members of the Board will also, to the extent possible, be allowed to acquire shares on the same terms and conditions as applicable to the employees.

Purpose

The Board remuneration is based on fixed fees linked to the role and responsibility of the individual Board member. To ensure the implementation of the company strategy in a sustainable way, taking the long-term interests of COWI Holding A/S into consideration, the Board members do not receive any variable remuneration based on performance.

Benchmark

Board remuneration is approved annually at the Annual General Meeting and is evaluated against relevant benchmarks (i.e., companies similar to COWI in size, complexity, geographical scope and industry).

Fees and benefits

Fees:

Base fee:

- > Each Board member receives an annual base fee. The Chairmanship receives a multiple thereof as follows: The chair receives three times the base fee, and the vice chair receives two times the base fee.
- > Base fee levels are determined while taking into account the nature of the individual role.

Board committee fee:

If and when a committee is established, Board committee members receive an annual Board committee fee and the committee chair receives a multiple of up to two times the

Benefits:

Social security tax:

- > COWI pays contribution to mandatory social security taxes (and similar social charges and taxes) within the EU which may be imposed by foreign authorities in relation to the base fee.

base fee for committee members. The committee fees are determined by the Board.

Fee for ad hoc tasks:

- > Individual Board members may take on specific ad-hoc tasks assigned by the Board outside their normal duties. If so, the Board determines a fixed fee (e.g., per diem). The fee for ad hoc tasks, if any, is disclosed in the remuneration reports and/or annual reports and presented for approval by the shareholders at the Annual General Meeting.

Travel cost:

- > Reasonable travel expenses will be reimbursed. In addition to reimbursement of actual travel expenses, individual board members are also entitled to a travel allowance when participating in meetings outside their country of residence. The travel allowance is determined based on the actual travel time.

Shareholding requirements for Board members	Board members' grant and possession of COWI shares will be subject to the applicable Terms of Grant and Terms of Possession for shares in COWI Holding A/S.
Pay-out and clawback	<p>Remuneration is paid out in monthly rates; however, the remuneration is only finally determined at the Annual General Meeting.</p> <p>COWI may, subject to applicable law, seek to recover or claw back remuneration paid to the Board members.</p>
Directors' and officers' liability	COWI takes out an adequate directors' and officers' liability insurance.

Term	Shareholder elected Board members are elected at the Annual General Meeting for a term of one year. Employee-elected Board members are elected for four-year terms.
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Executive remuneration

Composition	The remuneration package consists of a <i>(i)</i> base salary, a <i>(ii)</i> pension contribution, a <i>(iii)</i> short-term cash-based incentive, a <i>(iv)</i> long-term share-based incentive and <i>(v)</i> other benefits.
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Benchmark	Executive remuneration is evaluated against relevant benchmarks (i.e., companies similar to COWI in size, complexity, geographical scope and industry).
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Fixed remuneration

Purpose	The fixed remuneration enables the Executives to take decisions with a long-term perspective in mind without undue considerations for short-term or long-term incentives.
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Policy:

Alignment with strategy, long-term interests and sustainability:

Base salary

> Base salary levels are determined taking into account the nature of the individual role, individual considerations, the market position and remuneration conditions in COWI.

> The base salary is provided for the executives at a competitive level and to ensure a reliable base income that supports decision making at an appropriate balance between risk and opportunity, short-term and long-term perspective and a sustainable development required of a consultancy company.

Pension

- > Pension is based on a defined contribution pension scheme.
- > Pension provides an opportunity for executives to build up an income for retirement, keeping in mind the same perspectives as for base salary.
- > The pension contribution rate corresponds to up to 25 per cent of the base salary.

Variable remuneration

Purpose and process

The variable remuneration is designed to promote performance in line with the corporate strategy. The variable remuneration is based on performance and accountability in relation to established thresholds and targets, both short-term and long-term, which must be achieved before the incentive is released to the executive. Targets and thresholds are aligned with short-term and long-term priorities in the corporate strategy and thereby ensure that the long-term interests and sustainability of COWI are considered. When setting the thresholds and targets, the Board must take into account market practice, budgets, corporate strategy and long-term business plans supporting COWI's strategic goals and values.

The Board must ensure a reasonable balance between short-term and long-term incentives and that the variable components of the remuneration of the Executives are based on actual achievements over a period of time and/or subject to the continued employment of the Executives with a view to creating long-term sustainable value.

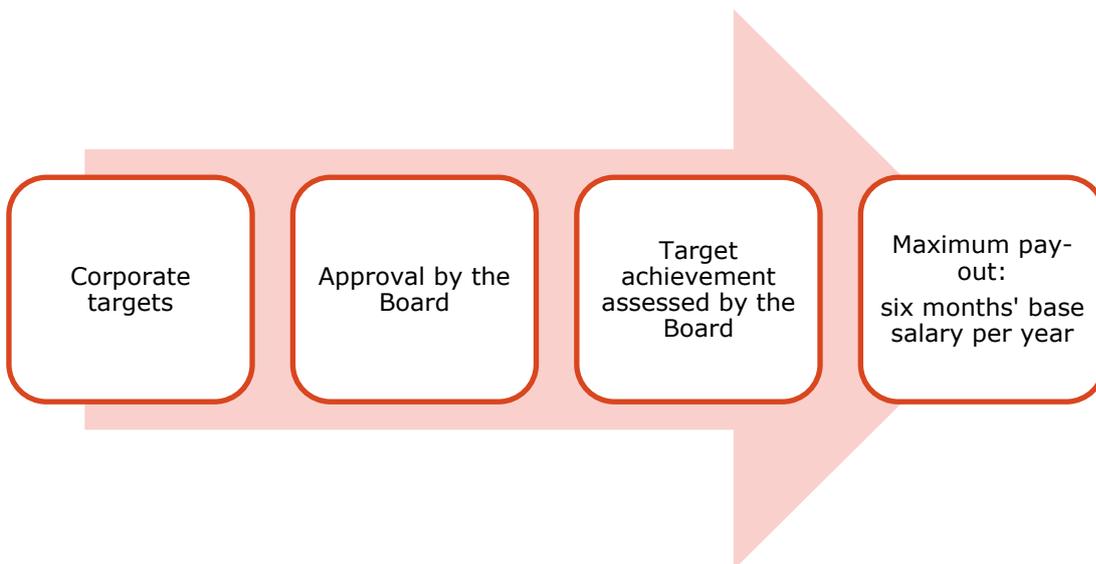
Following each financial year, the Board assesses performance against each pre-determined target based on appropriate data sources, e.g., audited or reviewed financial figures, internal assessments and/or reports based on generally accepted methods of calculation or measurement, third-party information, reports and/or statements, or other form of information which may support the Board's target performance assessment in an objective manner.

The variable remuneration is provided as short-term incentive (STI) and long-term incentive (LTI) as set out below.

	Policy:	Alignment with strategy, long-term interests and sustainability:
Short-term incentive (STI)	STI is a one-year short-term cash-based incentive linked to the degree of achievement of a number of predefined corporate targets for the performance year. See below for additional details.	STI is designed to incentivise executives for short-term achievements in line with COWI's needs. Targets are closely linked to the corporate strategy and normally include financial as well as non-financial targets.
Long-term incentive (LTI)	<p>LTI is a share-based long-term incentive linked to the achievement of a number of pre-defined targets for a performance year. LTI has a one-year performance period and a subsequent vesting period. See below for additional details.</p> <p>The Board may decide to base the LTI on phantom shares (i.e., as cash-based programme based on the development in the share price with the same performance period and reflecting the same vesting period).</p>	LTI is designed to promote the collective performance of the Executives and to further align the interests of executives and shareholders. With rolling programmes linked to both financial and business performance, the LTI programme supports a long-term sustainable development of COWI.
Clawback	Subject to applicable law, the Board may decide to lay down specific terms governing the termination of or, as the case may be, the reduction of variable remuneration (i.e., the STI and LTI programmes), including lapse in cases of serious non-compliance with the company reporting or accounting standards, failure to react to audit reports, significant audit adjustments and material legal	

issues (e.g., anti-trust violation, corruption and fraud), or material errors in the accounting figures or other basis for award, vesting or release under an incentive programme. The Board may also, subject to applicable law and specific terms governing the incentive programme(s), decide to recover or claw back STI and LTI, provided that the incentive was granted, earned or paid on the basis of data which proved to be incorrect, or if the recipient acted in bad faith in respect of other matters, which implied payment of a too large variable remuneration.

Short-term cash-based incentive programme (STIP)



The STIP cannot exceed and amount equal to six months' base salary per year.

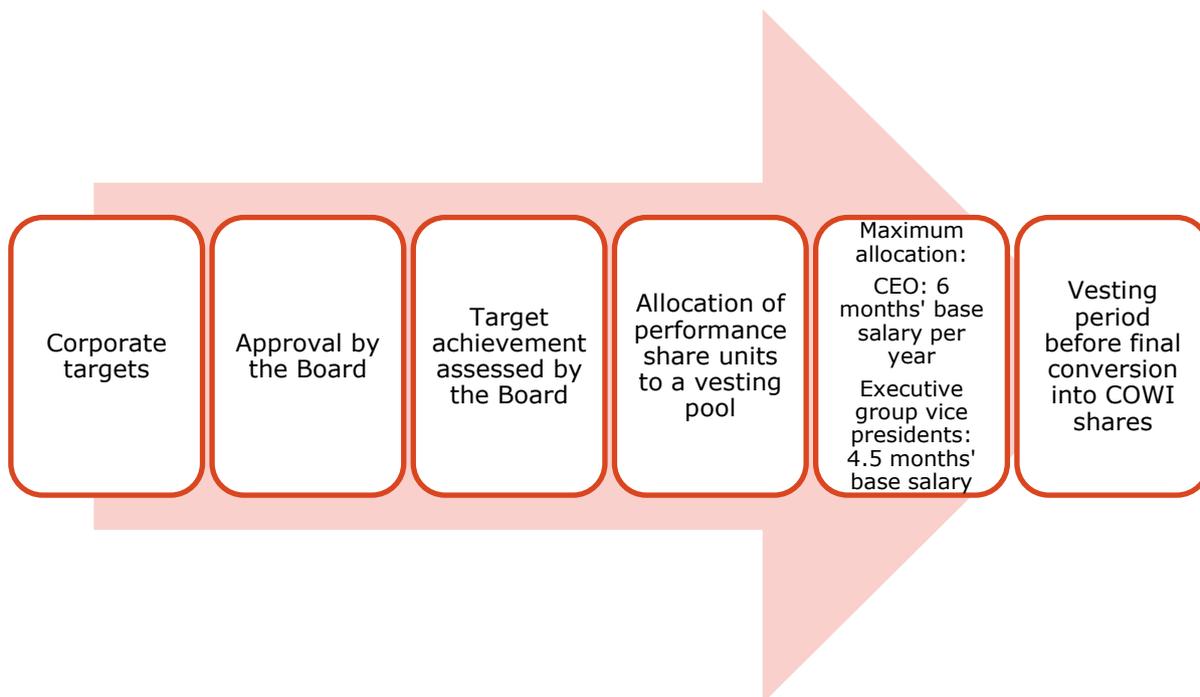
Corporate targets are set by the Board at the board meeting approving the budget for the performance year and include determination of threshold, on-target level of performance and level of performance to achieve maximum pay-out.

Furthermore, the Board may - as part of the setting of the corporate targets for the applicable performance year - decide that the STIP will not be paid out if one or more specified financial and/or non-financial targets have not been reached for the applicable performance year.

Pay-out, if any, takes place in the week after the shareholders meeting has approved the COWI Group's annual accounts of the performance year and is based on the executives' individual base salary in January in the performance year.

The Board may (acting fairly and reasonably) waive or adjust a target in case the target during the performance year has become obsolete or not appropriate due to events which could reasonably not be taking into account at the beginning of the year, such as strategy changes, acquisitions/divestments etc.

Long-term share-based incentive programme (LTIP)



Corporate targets are set by the Board at the board meeting where the budget for the performance year is approved, and include determination of threshold, on-target level of performance and level of performance to achieve maximum pay-out.

Furthermore, the Board may – as part of the setting of the corporate targets for the applicable performance year – decide that the performance share units are not allocated under the LTIP if one or more specified financial and/or non-financial targets have not been reached for the applicable performance year.

Allocation of performance share units to a vesting pool, if any, takes place in the week after the shareholders meeting has approved the COWI Group's annual accounts of the performance year and is based on the executives' individual base salary in January in the performance year, using the share price as per 31 December of the performance year to determine the number of allocated performance shares units.

The on-target allocation of performance shares units is four months' base salary for the Chief Executive Officer and three months' base salary for the executive group vice presidents.

The maximum allocation of performance shares units is six months' base salary for the Chief Executive Officer and four and a half months' base salary for the executive group vice presidents.

The performance share units allocated to the vesting pool of each executive are – subject to additional terms determined by the Board, if any – converted into COWI shares shortly after the first Annual General Meeting to be held three (3) years after the end of the performance year. This means, as an example, that performance share units allocated based on the performance year 2023 are subject to the three-year vesting period and are converted into COWI shares after the Annual General Meeting to be held in 2027.

In the vesting period, the value of the allocated performance share units per executive changes, depending on the development in the COWI Holding A/S share price, aligning the interests of the executives with those of the shareholders.

The performance share units do not provide the executive with any shareholder rights, e.g., the right to receive dividend or to vote. However, additional performance share units, corresponding to the value of dividends adopted in the vesting period after the allocation of performance share units for the performance year, are allocated to the executives vesting pool.

The Board may (acting fairly and reasonably) waive or adjust a target in case the target during the performance year has become obsolete or not appropriate due to events which could reasonably not be taken into account at the beginning of the year, such as strategy changes, acquisitions, divestments etc.

Acting fairly and reasonably, the Board may also decide to base the LTI on phantom shares (i.e., as a cash-based programme based on the development in the share price, with the same performance period and reflecting the same vesting period).

Size and relativity of the components	Remuneration component	Relative size at minimum performance	Relative size at on-target performance	Relative size at maximum performance
The aggregate maximum amount that may be granted as incentive for a given year equals 12 months' base salary for the Chief Executive Officer and 10.5 months' base salary for the executive group vice presidents.				
The split between fixed and variable remuneration is intended to result in a reasonable part of the salary being linked to performance, while at the	Base salary	80%	52.2%	44.4%
	Pension	20%	13%	11.2%

same time promoting sound business decisions to achieve COWI's vision.	STI	0%	17.4%	22.2%
For the Chief Executive Officer, the base salary accounts for approx. 44 per cent to 52 per cent of the total value of the remuneration package. The interval states the span between 'maximum performance' and 'on-target-performance'.	LTI	0%	17.4%	22.2%
	Total	100%	100%	100%

Other benefits

Policy:

Alignment with strategy, long-term interests and sustainability:

- > Executives receive non-monetary benefits such as company cars as well as customary non-monetary benefits such as communication and IT equipment, subscriptions etc. Executives may also participate in customary employee benefit programmes, e.g., employee share programmes.
- > In addition to six (6) weeks' paid holiday/year, Executives receive a cash-based holiday allowance corresponding to one (1) per cent of the base salary.
- > Other benefits are granted, reflecting local practice.

Other terms

Term	Executive employment contracts are entered into for an indefinite period of time.
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Termination of employment	COWI may terminate the employment of an executive by giving 12 months' notice. Executives may terminate their employment by giving COWI six months' notice.
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Severance payment	<p>In the event of termination by COWI (not due to a material breach by the executive), executives are, in addition to the notice period, entitled to a severance payment of 12 months' base salary.</p> <p>In the event of termination – whether by COWI or by the individual – due to a merger, acquisition or takeover of COWI, executives are, in addition to the notice period and the 12 months' base salary severance payment mentioned above, entitled to an additional severance payment of 12 months' base salary (i.e., 24 months' base salary in the aggregate).</p>
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Shareholding requirements for Executives	Executives' grant and possession of COWI shares are subject to the applicable Terms of Grant and Terms of Possession for shares in COWI Holding A/S.
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Directors' and officers' liability	COWI takes out an adequate directors' and officers' liability insurance.
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Governance and considerations

Review of Remuneration Policy

The Board has the overall responsibility for reviewing the Remuneration Policy. Periodically and at least once a year, the Board reviews the Remuneration policy and decides on any amendments to be proposed by the Board for adoption at the Annual General Meeting. The Annual General Meeting finally approves the Remuneration Policy.

Currently, the individual Board members and the executives hold less than 0.5 per cent of the votes at the Annual General Meeting and thus cannot influence the outcome of the voting.

According to the Rules of Procedure of the Board, a member of the Board or of the Executive Management may not participate in the consideration of matters in which said member has a material interest, whether directly or indirectly, which may conflict with the interests of the company. This also applies to remuneration of specific, individual Board members (e.g., ad hoc tasks) and executive remuneration; however, it does not apply to the recommendation of the general Board remuneration and/or amendments to the Remuneration policy the Annual General Meeting. In the opinion of the Board, there are no risks of conflicts of interest pertaining to the Board's preparation and review of the Remuneration Policy, given that the remuneration of the Board is subject to approval at the Annual General Meeting.

Review of Board remuneration

The Board reviews annually the actual remuneration of the Board for the preceding year and the remuneration level for the following year and decides on any amendments to be proposed by the Board for adoption at the Annual General Meeting.

Review of Executive remuneration

Within the parameters set at the Annual General Meeting in this Remuneration Policy, the remuneration decision authorisation levels can be summarised as follows:

Board of Directors	Responsible for executive remuneration. Approves actual base salary, pension contribution, STIP targets and target fulfilment, LTIP targets and target fulfilment – based on recommendation from the Chairmanship.
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Chairmanship	<p>Responsible for proposing STIP targets, reviewing target fulfilment as well as proposing targets and reviewing target fulfilment for LTIP.</p> <p>If the Board decides to establish a Remuneration Committee, the Remuneration Committee is responsible for these preparatory tasks.</p>
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Extraordinary remuneration

The Board may, under extraordinary circumstances, award extraordinary remuneration – e.g., cash bonus, relocation compensation, share-based remuneration as well as other extraordinary remuneration, in respect of retention and recruitment to Executives – provided that such extraordinary remuneration is deemed to support the COWI Group’s long-term interests and the interests of the company’s shareholders. The value of such total extraordinary remuneration may not exceed an amount equal to 100 per cent of the individual’s total annual remuneration, including all remuneration components. If an Executive resigns from their position within 12 months after employment (or, as the case may be, within 12 months after the award of extraordinary retention remuneration), as a result of the Executive’s own resignation (and the resignation is not due to COWI’s material breach), or the employment of the Executive is terminated for cause by COWI within 12 months after employment (or, as the case may be, 12 months after award of extraordinary retention remuneration), such extraordinary remuneration is clawed back in whole or in part by the company.

Deviations from the Remuneration policy

The Board may, under extraordinary circumstances, temporarily deviate from the Remuneration policy, provided that such deviation is deemed to be in the long-term interests of the COWI Group and/or the company’s shareholders or made for the purpose of the COWI Group’s sustainability. Deviations may only be made in respect of the size and terms of the STI and/or LTI programmes applicable to Executives.

In the event of a deviation from the Remuneration Policy, the remuneration concerned will be disclosed in the remuneration report and/or annual reports.

Relationship to remuneration paid to other employees of the COWI Group

The terms of employment for employees within the COWI Group have been considered as part of the preparation of this Remuneration Policy for the Board

and the Executives. Taking into account market practice for remuneration, comparable companies, the size, complexity, geographic scope and industry of the COWI Group, and considering the responsibilities and duties of the members of the Board and the Executives compared to other employees of the COWI Group, the Board believes there is an appropriate balance between remuneration of employees of the COWI Group and remuneration of the Board and the Executives. As determined by the Board, a select number of employees of the COWI Group in key positions may be eligible to participate in short and long-term incentive programmes equivalent to the executive short-term and long-term incentive programmes of COWI.

Effect and approval

This Remuneration Policy replaces the previous Remuneration Policy (as approved at the Annual General Meeting in 2016 and adjusted by the Board of Directors on 22 May 2018).

This Remuneration Policy is applicable to remuneration in relation to the calendar year 2023 and later. The previous Remuneration Policy is applicable to remuneration relating to the period up to and including the calendar year 2022 and as such still govern, e.g., the short-term incentive programme (STI) and the long-term incentive programme (LTIP) provided in accordance with the Remuneration Policy.

This Remuneration Policy was adopted by the Board of Directors on 27 February 2023 and approved at the Annual General Meeting on 15 March 2023.

The Remuneration Policy must be presented at the Annual General Meeting for approval at least every four years and upon any proposed material amendments.

The Remuneration Policy must be described in the annual reports of COWI Holding A/S and/or the remuneration reports, and compliance therewith must be explained and motivated by the Chair at the Annual General Meeting.

Information on remuneration, including the remuneration components, for the members of the Board as well as the Executives, must be disclosed on an individual basis in the company's remuneration report and/or annual report for the relevant financial year, including a statement on compliance with this Remuneration Policy.