

# **Remuneration Committee Terms of Reference**

**NKT A/S, CVR no. 62725214**

## **1 Scope and Purpose**

- 1.1 These Terms of Reference establish the duties and powers of the NKT Remuneration Committee
- 1.2 The Remuneration Committee is a Board of Directors' committee charged solely with preparing the resolutions to be taken by the Board of Directors. The Committee works in accordance with the terms of reference. The terms of reference are updated and approved annually by the Board of Directors. Minutes of meetings are circulated to the Board of Directors.

## **2 Constitution and Members**

- 2.1 The Remuneration Committee shall consist of at least two members
- 2.2 The Committee can only consist of members of the Board of Directors and the members will be appointed by the Board of Directors following the Annual General Meeting of NKT A/S.
- 2.3 Committee members can be removed by the Board of Directors at any time.
- 2.4 The members will be appointed for one year at a time.

## **3 Committee tasks**

- 3.1 The Committee duties are performed according to this charter and an Annual Plan approved by the Board of Directors.
- 3.2 To update, prepare and submit the remuneration policy for the Board of Directors and Executive Management of NKT A/S to the Board of Directors for approval prior to final approval by the Annual General Meeting as required by the Danish Companies Act. The policy will be submitted for approval when deemed necessary due to material changes, however at least every four years.
- 3.3 To submit proposals to the Board of Directors regarding remuneration for members of the Board of Directors prior to approval by the Annual General Meeting.
- 3.4 On behalf of the Board of Directors to analyse the remuneration and employment conditions of the Executive Management of NKT A/S, and based on that submit a recommendation for approval by the Board of Directors. The above includes variable remuneration such as cash and/or share-based incentive schemes.
- 3.5 To ensure that the remuneration (and any other benefits the Board of Directors and Executive Management may be eligible for) are consistent with the Company's remuneration policy and with the assessment of the individual's contribution.
- 3.6 To review the remuneration and other benefits of the Global Leadership Team (GLT) of NKT to secure that is in line with the principles of the remuneration policy. Proposals regarding GLT remuneration shall be submitted to the whole Board of Directors for approval.
- 3.7 To monitor that the disclosures in the annual remuneration report including remuneration to the Board of Directors and Executive Management are correct, give a true and fair view and are adequate.
- 3.8 To monitor other factors in relation to the tasks stated which the Remuneration Committee may find necessary in its judgement as well as other tasks requested the Board of Directors.
- 3.9 The Committee will update the Board of Directors of its work when relevant.

#### **4 Committee authorisation and resources**

Within its Terms of Reference, the Remuneration Committee is authorised to:

- 4.1 Obtain such independent professional advice as the Committee considers necessary for performing its tasks.
- 4.2 Obtain information from employees of NKT who may be summoned to attend meetings at the Committee's request.

#### **5 Meetings**

- 5.1 Only members of the Remuneration Committee have the right to be present at the Committee meetings.
- 5.2 The Committee members can invite participants as they deem appropriate.
- 5.3 The Committee Chair will determine the meeting agenda and the meeting frequency and call meetings in accordance with an annual plan prepared by the Committee each year
- 5.4 The Committee convenes when it is deemed necessary.
- 5.5 NKT will setup a secretariat function for the Committee unless otherwise agreed.
- 5.6 Minutes of each meeting is kept by the Committee secretariat and will be approved by the Committee members after each meeting.

#### **6 Remuneration**

- 6.1 Remunerations of the Committee members will be as determined by the Annual General Meeting.

#### **7 Update and Disclosure**

- 7.1 These Terms of Reference will be updated and confirmed by the Board of Directors at least once a year.
- 7.2 These Terms of Reference have been disclosed to the Board of Directors of NKT A/S for discussion and approval on: 9 May 2023.

Jens Due Olsen, Chair

René Svendsen-Tune, Deputy-chair

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NKT A/S Board of Directors