

Corporate governance December 2022

Statutory Corporate Governance Report for the financial year 2021/22 pursuant to section 107 b of the Danish Financial Statements Act

This report is a supplement to the management's review section of Roblon A/S' annual report for 2021/22. The report is based on the Recommendations on Corporate Governance issued by the Danish Committee on Corporate Governance, December 2020, and should be construed in accordance with applicable stock exchange regulations.

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1 Introduction

This annual Corporate Governance Report for Roblon A/S forms part of the management's review as set out in the annual report for 2021/22 and covers the reporting period 1 November 2021 to 31 October 2022. The report comprises:

- a description of Roblon's management structure;
- a description of the main features of the Roblon Group's reporting process and internal controls; and
- an account of the Company's approach to the Recommendations on Corporate Governance issued by the Danish Committee on Corporate Governance.

2 Management structure

Roblon has a two-tier management structure with a non-executive board of directors and an executive management board, which are independent of each other.

The Board of Directors participates in determining the Company's strategy, supervises the Company's performance and ensures that the Company's management and organisation are satisfactory. The Executive Management is responsible for the Company's day-to-day operations.

2.1 Board of Directors

The Board of Directors has six members. Four board members are elected by the general meeting for terms of one year and are eligible for re-election.

The external board members are elected by the shareholders for terms of one year at the annual general meeting. At the first board meeting after the annual general meeting, the Board of Directors elects a chairman and deputy chairman as well as chairmen and members of the board committees.

At the annual general meeting in January 2022, the following board members were elected:

- Jørgen Kjær Jacobsen, independent member (Chairman since 2014)
- Ole Lønsmann Andersen, dependent member (Deputy Chairman since 2018)
- Peter Sloth Vagner Karlsen, independent member (member since 2011)
- Randi Toftlund Pedersen, independent member (member since 2016)

The Board of Directors also comprises a number of employee representatives equal to half of the number of board members elected by the shareholders, i.e. currently two. Employee representatives are elected for terms of four years, and in 2019 the following members were elected:

- Nita Svendsen, HR assistant (member since 2015)
- Flemming Nielsen, machine operator (member since 2018)

The composition of and skills represented on the Board of Directors are considered by the Governance, Nomination and Remuneration Committee, on the basis of which the Board of Directors is subject to annual evaluations headed by the Chairman of the Board. Every three years, the evaluation is performed by an external consultant, most recently in autumn 2022 when an evaluation of the board assisted by an external facilitator has been carried out. The evaluation was conducted by means of an online questionnaire with follow-up telephone interviews, and all members of the Board of Directors and Executive Management participated and contributed.

General conclusions of the evaluation in 2022:

- The Board of Directors may generally be characterised as having broad, international business experience with professional skills in, among other areas, management of a listed company,

development and innovation, production, sales, marketing and finance.

- The overall profile of the Board of Directors is deemed to match the Group's needs, and the Board regularly assesses any need for adjustment of the skills represented by the Board.
- The board members actively keep up to date on Roblon and other general matters of importance to the Group.

A presentation of the members of the Board of Directors, including background information, board meeting attendance, etc. is set out in Appendix 1.

Tasks and responsibilities of the Board of Directors

Rules of procedure have been prepared for the Board of Directors of Roblon. These rules of procedure are updated annually by the Board of Directors. Among other things, the rules of procedure include an annual cycle of planned subjects, guidelines for the Board of Directors in relation to the Executive Management and the tasks and duties of the Chairman, Deputy Chairman and committee chairmen.

A minimum of five ordinary board meetings are held each year, four of which are scheduled around the consideration and approval of the Company's quarterly reports, and one board meeting is held prior to Roblon's annual general meeting.

In 2021/22, the Committee held nine meetings, five of which were attended by all committee members.

2.2 Board committees

in 2021/22, the Board of Directors had three committees.

Audit committee

The Audit Committee has two members:

- Randi Toftlund Pedersen (chairman), independent member
- Jørgen Kjær Jacobsen, independent member

The Audit Committee assists the Board in:

- monitoring and reporting on the results of the statutory audit, including the financial reporting process;
- monitoring the financial reporting process and any recommendations or proposals to preserve integrity;
- monitoring the efficiency of the internal control system, assessing the need for an internal audit function and the effectiveness of the Company's risk management systems for financial reporting purposes;
- monitoring the statutory audit of the financial statements, etc., taking into account the result of the most recent quality control of the auditors appointed in general meeting;
- controlling and monitoring the independence of the auditors in relation to scope and services provided;
- performing the evaluation of the auditor elected by the general meeting and selecting and recommending the auditor to the Board of Directors; and
- supervising the scope of the non-audit services performed by the auditors appointed in general meeting.

The Audit Committee holds eight to ten meetings annually. In 2021/22, the Committee held nine meetings, all attended by both committee members.

Governance, Nomination and Remuneration Committee

The Governance, Nomination and Remuneration Committee has two members:

- Ole Lønsmann Andersen (chairman), dependent member;
- Jørgen Kjær Jacobsen, independent member

The Committee assists the Board of Directors in, among other things:

- preparing the statutory corporate governance report;
- informing the Board of changes and developments within the Committee's area of responsibility;
- processing topics dictated by the Board within the Committee's area of responsibility;
- preparing and recommending a remuneration policy for the Board of Directors and the Executive Management for adoption at the annual general meeting;
- assisting in preparing the remuneration report to be presented for adoption at the general meeting; and
- initiating evaluations of the Board of Directors.

The terms of reference of the Governance, Nomination and Remuneration Committee comprise a full list of the Committee's tasks.

The Governance, Nomination and Remuneration Committee holds two to four meetings annually. In 2021/22, the Committee held three meetings, all attended by both committee members.

Innovation and Product Development Committee

The Innovation and Product Development Committee has three members:

- Peter Sloth Vagner Karlsen (chairman), independent member
- Jørgen Kjær Jacobsen, independent member
- Marie Krogsgaard, research scientist Novozymes, dependent member (appointed by the Board of Directors in June 2019).

The Committee's principal tasks are to:

- set the strategic direction of the Company's long-term product and technology development; and
- monitor Management's and the development function's review of the ideas and development portfolio in terms of level of innovation, value to customers and commercial potential.

The Innovation and Product Development Committee holds four to six meetings annually. In 2021/22, the Committee held four meetings, all attended by all committee members.

2.3 Executive Management

The Executive Management reports to the Board of Directors and is responsible for the Group's operations, including all operational matters, organisation, resource distribution, defining and implementing strategies and policies, setting targets and direction and ensuring timely reporting and information to the Board of Directors.

The rules of procedure for Roblon's Executive Management are updated annually by the Board of Directors. The Executive Management holds meetings at least once a month. At the end of October 2021, the Executive Management had three members:

- Lars Østergaard, Managing Director and Chief Executive Officer (CEO)
- Carsten Michno, Chief Financial Officer (CFO)
- Kim Müller, Chief Technology Officer (CTO)

A presentation of the members of the Board of Directors, including background information, etc. is set out in Appendix 2.

3 Financial reporting process and internal controls

The Board of Directors and the Executive Management share primary responsibility for Roblon's risk management and internal control systems, including compliance with applicable legislation and other financial reporting standards. Roblon's risk management and internal control systems in relation to financial reporting, including IT and tax, are organised with a view to limiting the risk of financial reporting errors and omissions.

3.1 Internal control environment

Roblon's internal controls are based on the Group's organisation, decision-making processes, powers and responsibilities, which are set out in and communicated via company policies, internal guidelines, codes of conduct, etc. Internal controls are also performed on the basis of procedures described in manuals and memoranda. The Executive Management has set up centralised functions responsible for compliance and control to ensure that Roblon complies with applicable legislation and other financial reporting requirements and for controlling the financial reporting of subsidiaries. One of the duties of Roblon's Audit Committee is to evaluate and discuss important accounting and financial reporting issues.

Risk Assessment

At least once annually, the Executive Management carries out an assessment of the Roblon Group's financial reporting risks, comprising:

- significant accounting estimates
- significant changes to accounting policies; and
- an assessment of the risk of fraud.

The aim of this risk assessment is to identify the financial reporting processes that are most likely to be subject to material misstatements. Based on the risk assessment, Roblon can focus on implementing measures to manage and mitigate risks in these processes.

The Audit Committee also discusses the risk assessment once annually.

3.2 Control activities

Controls are planned and performed within the framework of an organisation with clearly defined roles that each provide effective support and, with respect to internal controls, allocation of responsibilities. They are backed up by specific control activities designed to identify and prevent financial reporting errors. These control activities are based on an assessment of materiality and risk. The objective of the control activities is to ensure that goals, policies, manuals, procedures, etc. communicated by Management are observed and that potential errors, discrepancies and omissions are prevented or detected and corrected on a timely basis. Control activities include, for example, manual and physical controls, general IT controls and automated application controls of IT systems.

Management has established consolidated financial reporting procedures that include budget reporting and monthly reporting. The regular reporting comprises income statement, balance sheet and statement of cash flows as well as notes to the financial statements and other information.

The Audit Committee has assessed the need for an internal audit function and determined that this is not required, as the existing internal controls and risk assessment and processes are deemed to be satisfactory. The size and complexity of the Company was also factored into this decision.

3.3 Monitoring

The risk assessment process and control activities are monitored on an ongoing basis. The monitoring consists of formal as well as informal procedures applied by Management and process owners, risk and control procedures, including controls of results compared to budgets and estimates and significant key figures and financial matters. The Executive Management regularly monitors compliance with applicable legislation and other financial reporting requirements and reports its findings to the Board of Directors and, if relevant, to the Audit Committee.

At least once a year, the Board of Directors considers the adequacy of the internal control systems. The Board discusses the internal control systems with the external auditors elected by the shareholders at the board meeting at which the Group's annual report is considered. On the basis of the long-form audit report prepared by the auditors, the Board of Directors and the auditors discuss the results of the audit, including significant accounting estimates and the adequacy of the accounting policies.

The Board of Directors and the auditors monitor what actions the Executive Management takes to handle any control weaknesses and/or inadequate controls and ensures that any agreed measures to strengthen risk management and internal control are implemented as planned.

Roblon

4 Corporate Governance at Roblon A/S

Roblon

The report covers the financial reporting period 1 November 2021 to 31 October 2022.

Recommendation	The Company <u>complies</u>	The Company <u>explains</u> ¹	
		<i>why</i>	<i>how</i>
1. Interaction with the company's shareholders, investors and other stakeholders			
1.1. Communication with the company's shareholders, investors and other stakeholders			
1.1.1 The Committee recommends that the management through ongoing dialogue and interaction ensures that shareholders, investors and other stakeholders gain the relevant insight into the company's affairs, and that the board of directors obtains the possibility of hearing and including their views in its work.	X		
1.1.2 The Committee recommends that the company adopts policies on the company's relationships with its shareholders, investors and if relevant other stakeholders in order to ensure that the various interests are included in the company's considerations and that such policies are made available on the company's website.	X		
1.1.3 The Committee recommends that the company publishes quarterly reports.	X		
1.2. Annual general meeting			

¹ Where the company does not comply with a recommendation, the company must explain why it has decided not to comply with the recommendation (*why*) and which approach the company has chosen instead (*how*). An adequate explanation is one that answers both questions and classifies the reply as being compliant with the recommendation. It is therefore important that the company answers both questions in its explanation.

Roblon

Recommendation	The Company <u>complies</u>	The Company <u>explains</u> ¹	
		<i>why</i>	<i>how</i>
<p>1.2.1 The Committee recommends that the board of directors organises the company’s general meeting in a manner that allows shareholders who are unable to attend the meeting in person or are represented by proxy at the general meeting to vote and raise questions to the management prior to or at the general meeting. The Committee recommends that the board of directors ensures that shareholders can observe the general meeting via webcast or other digital transmission.</p>	X		
<p>1.2.2 The Committee recommends that proxies and postal votes to be used at the general meeting enable the shareholders to consider each individual item on the agenda.</p>	X		
1.3. Takeover bids			
<p>1.3.1 The Committee recommends that the company has a procedure in place in the event of takeover bids, containing a “road map” covering matters for the board of directors to consider in the event of a takeover bid, or if the board of directors obtains reasonable grounds to suspect that a takeover bid may be submitted. In addition, it is recommended that it appears from the procedure that the board of directors abstains from countering any takeover bids by taking actions that seek to prevent the shareholders from deciding on the takeover bid, without the approval of the general meeting.</p>	X		
1.4. Corporate Social Responsibility			

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Recommendation	The Company <u>complies</u>	The Company <u>explains</u> ¹	
		<i>why</i>	<i>how</i>
<p>1.4.1 The Committee recommends that the board of directors adopts a policy for the company’s corporate social responsibility, including social responsibility and sustainability, and that the policy is available in the management commentary and/or on the company’s website. The Committee recommends that the board of directors ensures compliance with the policy.</p>	X		
<p>1.4.2 The Committee recommends that the board of directors adopts a tax policy to be made available on the company’s website.</p>	X		
<p>2. Tasks and responsibilities of the Board of Directors</p>			
<p>2.1 Overall tasks and responsibilities</p>			
<p>2.1.1 The Committee recommends that the board of directors in support of the company’s statutory objects according to its articles of association and the long-term value creation considers the company’s purpose and ensures and promotes a good culture and sound values in the company. The company should provide an account thereof in the management commentary and/or on the company’s website.</p>	X		
<p>2.1.2 The Committee recommends that the board of directors at least once a year discusses and on a regular basis follows up on the company’s overall strategic targets in order to ensure the value creation in the company.</p>	X		

Roblon

Recommendation	The Company <u>complies</u>	The Company <u>explains</u> ¹	
		<i>why</i>	<i>how</i>
<p>2.1.3 The Committee recommends that the board of directors on a continuously basis takes steps to examine whether the company’s share and capital structure supports the strategy and the long-term value creation in the interest of the company as well as the shareholders. The Committee recommends that the company gives an account thereof in the management commentary.</p>	X		
<p>2.1.4 The Committee recommends that the board of directors prepares and on an annual basis reviews guidelines for the executive management, including requirements in respect of the reporting to the board of directors.</p>	X		
2.2. Members of the board of directors			
<p>2.2.1 The Committee recommends that the board of directors, in addition to a chairperson, appoints a vice chairperson, who can step in if the chairperson is absent and who can generally act as the chairperson’s close sparring partner.</p>	X		
<p>2.2.2 The Committee recommends that the chairperson in cooperation with the individual members of the board of directors ensures that the members up-date and supplement their knowledge of relevant matters, and that the members’ special knowledge and qualifications are applied in the best possible manner.</p>	X		
<p>2.2.3 The Committee recommends that if the board of directors, in exceptional cases, requests a member of the board of directors to take on special duties for the company, for instance, for a short period to take</p>	X		

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Recommendation	The Company <u>complies</u>	The Company <u>explains</u> ¹	
		<i>why</i>	<i>how</i>
part in the daily management of the company, the board of directors should approve this in order to ensure that the board of directors maintains its independent overall management and control function. It is recommended that the company publishes any decision on allowing a member of the board of directors to take part in the daily management, including the expected duration thereof.			
3. The composition, organisation and evaluation of the board of directors			
3.1. Composition			
<p>3.1.1 The Committee recommends that the board of directors on an annual basis reviews and in the management commentary and/or on the company's website states</p> <ul style="list-style-type: none"> • which qualifications the board of directors should possess, collectively and individually, in order to perform its duties in the best possible manner, and • the composition of and diversity on the board of directors. 	X		
<p>3.1.2 The Committee recommends that the board of directors on an annual basis discusses the company's activities in order to ensure relevant diversity at the different management levels of the company and adopts a diversity policy, which is included in the management commentary and/or available on the company's website.</p>	X		
<p>3.1.3 The committee recommends that candidates for the board of directors are recruited based on a thorough process approved by the</p>	X		

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Recommendation	The Company <u>complies</u>	The Company <u>explains</u> ¹	
		<i>why</i>	<i>how</i>
board of directors. The Committee recommends that in assessing candidates for the board of directors – in addition to individual competencies and qualifications – the need for continuity, renewal and diversity is also considered.			
<p>3.1.4 The Committee recommends that the notice convening general meetings, where election of members to the board of directors is on the agenda - in addition to the statutory items - also includes a description of the proposed candidates'</p> <ul style="list-style-type: none"> • qualifications, • other managerial duties in commercial undertakings, including board committees, • demanding organisational assignments and • independence. 	X		
<p>3.1.5 The Committee recommends that members of the board of directors elected by the general meeting stand for election every year at the annual general meeting, and that the members are nominated and elected individually.</p>	X		
3.2. The board of director's independence			
<p>3.2.1 The Committee recommends that at least half of the members of the board of directors elected in general meeting are independent in order for the board of directors to be able to act independently avoiding conflicts of interests.</p>	X		

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Recommendation	The Company <u>complies</u>		The Company <u>explains</u> ¹	
		<i>why</i>	<i>how</i>	
<p>In order to be independent, the member in question may not:</p> <ul style="list-style-type: none"> • be or within the past five years have been a member of the executive management or an executive employee in the company, a subsidiary or a group company, • within the past five years have received large emoluments from the company/group, a subsidiary or a group company in another capacity than as member of the board of directors, • represent or be associated with a controlling shareholder, • within the past year have had a business relationship (e.g. personally or indirectly as a partner or an employee, shareholder, customer, supplier or member of a governing body in companies with similar relations) with the company, a subsidiary or a group company, which is significant for the company and/or the business relationship, • be or within the past three years have been employed with or a partner in the same company as the company's auditor elected in general meeting, • be a CEO in a company with cross-memberships in the company's management, • have been a member of the board of directors for more than twelve years, or • be closely related to persons, who are not independent, cf. the above-stated criteria. <p>Even if a member of the board of directors does not fall within the above-stated criteria, the board of directors may for other reasons decide that the member in question is not independent.</p>				

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Recommendation	The Company <u>complies</u>	The Company <u>explains</u> ¹	
		<i>why</i>	<i>how</i>
<p>3.2.2 The Committee recommends that members of the executive management are not members of the board of directors and that members retiring from the executive management does not join the board of directors immediately thereafter.</p>	X		
<p>3.3. Members of the board of directors and the number of other managerial duties</p>			
<p>3.3.1 The Committee recommends that the board of directors and each of the members on the board of directors, in connection with the annual evaluation, cf. recommendation 3.5.1., assesses how much time is required to perform the board duties. The aim is for the individual member of the board of directors not to take on more managerial duties than the board member in question is able to perform in a satisfactory manner.</p>	X		
<p>3.3.2 The Committee recommends that the management commentary, in addition to the statutory requirements, contains the following information on the individual members of the board of directors:</p> <ul style="list-style-type: none"> • position, age and gender, • competencies and qualifications relevant to the company, • independence, • year of joining the board of directors, • year of expiry of the current election period, • participation in meetings of the board of directors and committee meetings, 	X		

Roblon

Recommendation	The Company <u>complies</u>	The Company <u>explains</u> ¹	
		<i>why</i>	<i>how</i>
<ul style="list-style-type: none"> managerial duties in other commercial undertakings, including board committees, and demanding organisational assignments, and the number of shares, options, warrants, etc. that the member holds in the company and its group companies and any changes in such holdings during the financial year. 			
3.4. Management committees			
<p>3.4.1 The Committee recommends that the management describes in the management commentary:</p> <ul style="list-style-type: none"> the board committees' most significant activities and number of meetings in the past year, and the members on the individual board committees, including the chairperson and the independence of the members of the committee in question. <p>In addition, it is recommended that the board committees' terms of reference are published on the company's website.</p>	X		
<p>3.4.2 The Committee recommends that board committees solely consist of members of the board of directors and that the majority of the members of the board committees are independent.</p>		The Company does not comply owing to its size and the assessment that the composition of the Company's board committees generates value for Roblon.	The Company's Governance, Nomination and Remuneration Committee is made up of one independent member and one dependent member. The Company's Innovation and Product Development Committee has one member

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Recommendation	The Company <u>complies</u>	The Company <u>explains</u> ¹	
		<i>why</i>	<i>how</i>
			who is not a member of the Board of Directors.
<p>3.4.3 The Committee recommends that the board of directors establishes an audit committee and appoints a chairperson of the audit committee, who is not the chairperson of the board of directors. The Committee recommends that the audit committee, in addition to its statutory duties, assists the board of directors in:</p> <ul style="list-style-type: none"> • supervising the correctness of the published financial information, including accounting policies in significant areas, significant accounting estimates and related party transactions, • reviewing internal control and risk areas in order to ensure management of significant risks, including in relation to the announced financial outlook, • assessing the need for internal audit, • performing the evaluation of the auditor elected by the general meeting, • reviewing the auditor fee for the auditor elected by the general meeting, • supervising the scope of the non-audit services performed by the auditor elected by the general meeting, and • ensuring regular interaction between the auditor elected by the general meeting and the board of directors, for instance, that the board of directors and the audit committee at least once a year meet with the auditor without the executive management being present. 	X		

Roblon

Recommendation	The Company <u>complies</u>	The Company <u>explains</u> ¹	
		<i>why</i>	<i>how</i>
<p>If the board of directors, based on a recommendation from the audit committee, decides to set up an internal audit function, the audit committee must:</p> <ul style="list-style-type: none"> • prepare terms of reference and recommendations on the nomination, employment and dismissal of the head of the internal audit function and on the budget for the department, • ensure that the internal audit function has sufficient resources and competencies to perform its role, and • supervise the executive management’s follow-up on the conclusions and recommendations of the internal audit function. 			
<p>3.4.4 The Committee recommends that the board of directors establishes a nomination committee to perform at least the following preparatory tasks:</p> <ul style="list-style-type: none"> • describing the required qualifications for a given member of the board of directors and the executive management, the estimated time required for performing the duties of this member of the board of directors and the competencies, knowledge and experience that is or should be represented in the two management bodies, • on an annual basis evaluating the board of directors and the executive management’s structure, size, composition and results and preparing recommendations for the board of directors for any changes, • in cooperation with the chairperson handling the annual evaluation of the board of directors and assessing the individual 	X		

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Recommendation	The Company <u>complies</u>	The Company <u>explains</u> ¹	
		<i>why</i>	<i>how</i>
<p>management members' competencies, knowledge, experience and succession as well as reporting on it to the board of directors,</p> <ul style="list-style-type: none"> • handling the recruitment of new members to the board of directors and the executive management and nominating candidates for the board of directors' approval, • ensuring that a succession plan for the executive management is in place, • supervising executive managements' policy for the engagement of executive employees, and • supervising the preparation of a diversity policy for the board of directors' approval. 			
<p>3.4.5 The Committee recommends that the board of directors establishes a remuneration committee to perform at least the following preparatory tasks:</p> <ul style="list-style-type: none"> • preparing a draft remuneration policy for the board of directors' approval prior to the presentation at the general meeting, • providing a proposal to the board of directors on the remuneration of the members of the executive management, • providing a proposal to the board of directors on the remuneration of the board of directors prior to the presentation at the general meeting, • ensuring that the management's actual remuneration complies with the company's remuneration policy and the evaluation of the individual member's performance, and 	X		

Roblon

Recommendation	The Company <u>complies</u>		The Company <u>explains</u> ¹	
			<i>why</i>	<i>how</i>
<ul style="list-style-type: none"> • assisting in the preparation of the annual remuneration report for the board of directors' approval prior to the presentation for the general meeting's advisory vote. 				
3.5. Evaluation of the board of directors and the executive management				
<p>3.5.1 The Committee recommends that the board of directors once a year evaluates the board of directors and at least every three years engages external assistance in the evaluation. The Committee recommends that the evaluation focuses on the recommendations on the board of directors' work, efficiency, composition and organisation, cf. recommendations 3.1.-3.4. above, and that the evaluation as a minimum always includes the following topics:</p> <ul style="list-style-type: none"> • the composition of the board of directors with focus on competencies and diversity • the board of directors and the individual member's contribution and results, • the cooperation on the board of directors and between the board of directors and the executive management, • the chairperson's leadership of the board of directors, • the committee structure and the work in the committees, • the organisation of the work of the board of directors and the quality of the material provided to the board of directors, and • the board members' preparation for and active participation in the meetings of the board of directors. 		X		

Roblon

Recommendation	The Company <u>complies</u>	The Company <u>explains</u> ¹	
		<i>why</i>	<i>how</i>
3.5.2 The Committee recommends that the entire board of directors discusses the result of the evaluation of the board of directors and that the procedure for the evaluation and the general conclusions of the evaluation are described in the management commentary, on the company's website and at the company's general meeting.	X		
3.5.3 The Committee recommends that the board of directors at least once a year evaluates the work and results of the executive management according to pre-established criteria, and that the chairperson reviews the evaluation together with the executive management. In addition, the board of directors should on a continuous basis assess the need for changes in the structure and composition of the executive management, including in respect of diversity, succession planning and risks, in light of the company's strategy.	X		
4. Remuneration of management			
4.1. Remuneration of the board of directors and the executive management			
4.1.1 The Committee recommends that the remuneration for the board of directors and the executive management and the other terms of employment/service is considered competitive and consistent with the company's long-term shareholder interests.	X		
4.1.2 The Committee recommends that share-based incentive schemes are revolving, i.e. that they are periodically granted, and that they	X		

Roblon

Recommendation	The Company <u>complies</u>	The Company <u>explains</u> ¹	
		<i>why</i>	<i>how</i>
primarily consist of long-term schemes with a vesting or maturity period of at least three years.			
4.1.3 The Committee recommends that the variable part of the remuneration has a cap at the time of grant, and that there is transparency in respect of the potential value at the time of exercise under pessimistic, expected and optimistic scenarios.	X		
4.1.4 The Committee recommends that the overall value of the remuneration for the notice period, including severance payment, in connection with a member of the executive management's departure, does not exceed two years' remuneration including all remuneration elements.	X		
4.1.5 The Committee recommends that members of the board of directors are not remunerated with share options and warrants.	X		
4.1.6 The Committee recommends that the company has the option to reclaim, in whole or in part, variable remuneration from the board of directors and the executive management if the remuneration granted, earned or paid was based on information, which subsequently proves 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.	X		
5. Risk management			
5.1. Identification of risks and openness in respect of additional information			

Roblon

Recommendation	The Company <u>complies</u>	The Company <u>explains</u> ¹	
		<i>why</i>	<i>how</i>
<p>5.1.1 The Committee recommends that the board of directors based on the company’s strategy and business model considers, for instance, the most significant strategic, business, accounting and liquidity risks. The company should in the management commentary give an account of these risks and the company’s risk management.</p>	X		
<p>5.1.2 The Committee recommends that the board of directors establishes a whistleblower scheme, giving the employees and other stakeholders the opportunity to report serious violations or suspicion thereof in an expedient and confidential manner, and that a procedure is in place for handling such whistleblower cases.</p>	X		

Appendix 1: Background information on members of the Board of Directors

Background information on members of the Board of Directors proposed for re-election:



Jørgen Kjær Jacobsen, CEO

Chairman and member of the Governance, Nomination and Remuneration Committee, the Audit Committee and the Innovation and Product Development Committee (independent member)

Joined the Board of Directors in 2014

Expiry of the current election period January 2023

Born in 1952

Nationality: Danish

Gender: male

Education: Graduate diploma - HD(A), 1979 and BSc Business Administration, 1975, 2014 Bestyrelsesakademiet (BoD Academy), University of Copenhagen

Other executive functions: Gabriel Holding A/S (C), Nordjyske Holding A/S (C), MEDF Holding A/S (C), BKI Foods A/S (B), Raskier A/S (D) and (B), Raskier Ejendomme ApS (D) and (B), Mads Eg Damgaards Familiefond (C), Aalborg Stiftstidendes Fond (C)

(C) = Chairman, (B) = board member and (D) = director

Specialised skills: Education in business economics and senior management experience from listed companies and board experience from listed companies and commercial foundations

Board meeting attendance: 5 of 5

Roblon shares: 35,000 class B shares at 31.10.2022 (25,000 shares at 31.10.2021).



Ole Lønsmann Andersen, Corporate adviser

Deputy Chairman and chairman of the Governance, Nomination and Remuneration Committee (dependent member)

Joined the Board of Directors in 2018

Expiry of the current election period January 2023

Born in 1959

Nationality: Danish

Gender: male

Education: Financial sector training, 1981-

Other executive functions: None

Specialised skills: Financial sector experience, including advisory services and providing financial solutions to businesses.

Board meeting attendance: 5 of 5

Roblon shares: 5,425 class B shares at 31.10.2022 (1,825 shares at 31.10.2021), related party Nina Schou 2,990 class B shares at 31.10.2022 (2,990 shares at 31.10.2022).



Peter Sloth Vagner Karlsen, Vice President Group Technology

Member of the Board of Directors and chairman of the Innovation and Product Development Committee (independent member)

Joined the Board of Directors in 2011

Expiry of the current election period January 2023

Born in 1963

Nationality: Danish

Gender: male

Education: Master of Science in Engineering, 1987; Wharton SLP, 2012; IMD BPSE, 2015

Other executive functions: Vice President Group Technology, Rockwool International, Sparekassen Vendsyssels Fond Hals (B)

(C) = Chairman, (B) = board member and (D) = director

Specialised skills: Management skills from global corporation in the areas of group product development, production and quality

Board meeting attendance: 5 of 5

Roblon shares: 395 class B shares at 31.10.2022 (395 shares at 31.10.2021).



Randi Toftlund Pedersen, Group Senior Vice President Corporate Finance

Member of the Board of Directors and chairman of the Audit Committee (independent member)

Joined the Board of Directors in 2016

Expiry of the current election period January 2023

Born in 1963

Nationality: Danish

Gender: Female

Education: INSEAD and IMD management modules, 2004-2013 State-authorized public accountant, 1993 MSc in Business Administration & Auditing, 1990

Other executive functions: Group Senior Vice President Corporate Finance, Salling Group A/S, Salling Group Ejendomme A/S (B), Salling Group Forsikring A/S (C), Glunz & Jensen Holding A/S (DC)

(C) = Chairman, (DC) = Deputy Chairman, (B) = board member and (D) = director

Specialised skills: Management skills from global accounting and finance group. Management of listed company.

Board meeting attendance: 5 of 5

Roblon shares: 3,000 class B shares at 31.10.2022 (1,000 shares at 31.10.2021).



Nita Svendsen, HR assistant

Employee representative (dependent member)
Joined the Board of Directors in 2015
Expiry of the current election period January 2023
Born in 1972
Nationality: Danish
Gender: Female

Board meeting attendance: 5 of 5

Roblon shares: 127 class B shares at 31.10.2022 (65 shares at 31.10.2021).



Flemming Nielsen, machine operator

Employee representative (dependent member)
Joined the Board of Directors in 2018
Expiry of the current election period January 2023
Born in 1963
Nationality: Danish
Gender: Male

Board meeting attendance: 5 of 5

Roblon shares: 27 class B shares at 31.10.2022 (35 shares at 31.10.2021).

Appendix 2: Background information on members of the Executive Management



Lars Østergaard, Managing Director and CEO

Joined Roblon in 2016

Born in 1965

Nationality: Danish

Gender: Male

Education: MSc. (international business economics), 1991

Roblon shares: 12,256 class B shares at 31.10.2022 (7,099 shares at 31.10.2021).



Carsten Michno, Chief Financial Officer (CFO)

Joined Roblon in 2015

Born in 1970

Nationality: Danish

Gender: Male

Education: MBA strategic Management, 2007; MSc (Business Administration and Auditing), 1995

Roblon shares: 8,053 class B shares at 31.10.2022 (4,500 shares at 31.10.2021).



Kim Müller, Chief Technology Officer (CTO)

Joined Roblon in 1992

Born in 1969

Nationality: Danish

Gender: Male

Education: m-MBA, 2007; Electrical engineering background - TDB, 1989

Other executive functions: Erhvervsservice Nord ApS (B)

(C) = Chairman, (B) = board member and (D) = director

Roblon shares: 7,091 class B shares at 31.10.2022 (6,091 shares at 31.10.2021).