

Terms of reference

Nomination and Remuneration Committee

These terms of reference lay down the obligations and authority of the Nomination and Remuneration Committee.

1. Scope and regulatory foundation

These terms of reference lay down the responsibilities and authorities of the nomination and remuneration committee ("the committee") in Per Aarsleff Holding A/S ("the company"), cf. recommendations 3.4.4 and 3.4.5 of the recommendations on corporate governance.

Recommendation 3.4.4.

"It is recommended that the board of directors establishes a nomination committee to perform at least the following preparatory tasks:

- 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 chairman handling the annual evaluation of the board of directors and assessing the individual management members' competencies, knowledge, experience and succession as well as reporting on it to the board of directors.
- 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 the executive managements' policy for the engagement of executive employees, and supervising the preparation of a diversity policy for the board of directors' approval."

Recommendation 3.4.5.

"It is recommended that the board of directors establishes a remuneration committee to perform at least the following preparatory tasks:

- 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 remuneration complies with the company's remuneration policy and the evaluation of the individual member's performance, and 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."

2. Members and composition

2.1 The committee shall consist of at least two members who are appointed among the members of the board of directors.

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2.2 The board of directors shall appoint the chairman as well as the members of the committee at the board meeting following the Annual General Meeting.

3. Purpose and responsibilities

3.1 The committee has been established with the following overall purpose:

3.1.1 Increase the efficiency and quality of the work of the board of directors ensuring that the board of directors and the executive management always have the right competencies, qualifications, knowledge and experience to carry out their respective tasks, including:

- a) preparing a description of the qualifications that members of the board of directors and the executive management must have ("Description of competencies of the board of directors") as well as for a specific position if relevant.
- b) annually assessing the structure, size, composition and results of the board of directors and the executive management as well as recommending any changes to the board of directors and the executive management, e.g. in consideration of the company's diversity policy.
- c) at least annually assess the competences, knowledge and experience of the members of the board of directors and report to board of directors in this respect.
- d) assisting the board of directors in connection with new appointments and changes in the board of directors and in the executive management as well as identify candidates for the two governing bodies, including the preparation of a succession plan for the executive management.
- e) proposing an evaluation procedure for the board of directors and the executive management.

3.1.2 Assisting the board of directors with assignments related to salary and remuneration matters subject to decision by the board of directors and ensuring that such assignments are resolved as objectively and professionally as possible, including through:

- a) preparation and recommendation of the company's remuneration policies to the board of directors.
- b) overseeing that remuneration of board of directors and executive management is in compliance with the remuneration policy for the board of directors and the executive management of the company and in compliance with the company's business strategy, values and long-term interests.
- c) assisting the board of directors and the executive management in ensuring that the company complies with the current rules governing public insight into salary and remuneration issues, for example in the company's annual report and remuneration report.

3.1.3 Considering other matters or questions in relation to the above-mentioned purposes which the committee deems necessary or which the board of directors requests that the committee prepares or assesses.

3.2 If the sole purpose of the committee is to carry out preparatory work prior to the consideration by the board of directors, the committee must present detailed accounts of its deliberations and recommendations for the board of director's decision.

3.3 Any delegation to the committee of tasks and authorities mentioned in 3.1 shall not amend the responsibilities or authorities of the board of directors.

4. Meetings, quorum and minutes of meetings

- 4.1 Meetings shall be held as often as the committee determines it appropriate, however at least twice a year. Any member of the committee may request the holding of a meeting if the member finds it necessary.
- 4.2 The chairman of the committee shall prepare the agenda for the meeting and send it to the members of the committee at least seven days before the meeting. To the extent that it may be necessary, the chairman of the committee may convene meetings at a shorter notice. All relevant material shall be submitted to the members of the committee together with the agenda.
- 4.3 The committee forms a quorum when at least two members are present. All resolutions by the committee must be passed by a simple majority of votes. In case of equality of votes, the chairman of the committee shall have the casting vote.
- 4.4 Depending on the agenda, other members of the board of directors, members of the executive management and relevant employees of the company may participate in the meetings at the request of the committee.
- 4.5 The committee shall prepare and keep minutes of the businesses transacted at the meetings of the committee. The chairman shall ensure that a copy of the minutes is sent to all members of the board of directors and, if practically possible, considered at the first meeting of the board of directors subsequent to the meeting of the committee.
- 4.6 The committee reports and makes recommendations to the board of directors on the matters set out in these terms of reference.
- 4.7 The meetings of the committee are confidential, and the members of the committee are subject to a duty of confidentiality according to the same rules as those applying to members of the board of directors.
- 4.8 The company shall provide a secretariat function for the committee. To the extent necessary, the committee may seek assistance from other employees of the company.

5. Evaluation, updating and publication

- 5.1 Once a year, the committee shall conduct a performance evaluation of the committee and evaluate the adequacy of these terms of reference and if they comply with the recommendations on corporate governance. Any amendments of these terms of reference shall be approved by the board of directors.
- 5.2 The terms of reference shall be published on the company's website.

Approved at the board meeting on 30 August 2023.

The Board of Directors of Per Aarsleff Holding A/S