

**MT HØJGAARD HOLDING**

**MT HØJGAARD HOLDING A/S**

**Remuneration report 2022**

## Contents

### Remuneration report

1. Introduction	1
2. Financial results	1
3. Remuneration of the Board of Directors	2 - 3
4. Remuneration of the Executive Board	4 - 8
5. Comparison of remuneration and accounting figures	9 - 10
6. Statement by the Board of Directors	11
7. Independent auditor's report	12 - 13

**This remuneration report covers MT Højgaard Holding A/S and has been published in both Danish and English. In case of discrepancies between the two versions, or in case of doubt, the Danish version shall prevail.**

# MT HØJGAARD HOLDING

## Remuneration report 2022

### 1. Introduction

This remuneration report discloses all of the Group's remuneration of members of the Board of Directors of MT Højgaard Holding A/S ("the Company" or "MTHH"), which is listed on Nasdaq OMX Copenhagen, and of the registered Executive Board of MTHH in 2021. The disclosures in the remuneration report are primarily derived from the audited financial statements, which are available at [www.mthh.eu](http://www.mthh.eu). The remuneration report has been compiled in accordance with section 139b of the Danish Companies Act and MTHH's remuneration policy, which was adopted at the Annual General Meeting held on 16 March 2022 and is available at [www.mthh.eu](http://www.mthh.eu).

The overall principles of the remuneration policy are:

- To support the purpose and sustainability of the Company;
- To align the remuneration components with the interests of shareholders and other stakeholders relevant to the above;
- To support delivery of MTHH's strategic priorities;
- To attract, motivate and retain members of the Board of Directors and the Executive Board of the appropriate calibre given the size and complexity of the business; and
- To reward members of the Executive Board in line with corporate and individual performance.

The result of the vote at the Annual General Meeting on 16 March 2022 on the Remuneration Report for 2021 did not give rise to a need to make any changes.

### 2. Financial results

Group revenue increased to DKK 8.7 billion, matching the expectations of revenue of around DKK 8.5 billion. Operating profit before special items and special amortisation increased to DKK 276 million. Earnings consequently met the expectations of operating profit of around DKK 260 million.

Following high order intake of approx. DKK 11.9 billion, the portfolio of firm, unconditional orders increased to approx. DKK 13.9 billion. The value of orders won but not yet contracted was approx. DKK 1.4 billion, which will not be included in the order book until the orders have been contracted.

# MT HØJGAARD HOLDING

## 3. Remuneration of the Board of Directors

The Board of Directors of MTHH consists of four to seven members elected by the shareholders in General Meeting, see the Articles of Association. In 2022, the Board consisted of seven members elected by the shareholders in General Meeting. At the Annual General Meeting on 16 March 2022, Morten Hansen joined the Board of Directors of MTHH.

In accordance with the voluntary scheme on Group representation, Peter Martin Facius, Lars Tesch Olsen and Stine Marie Søderdahl Friis are employee-elected members of the Board of Directors of MT Højgaard Holding A/S. Stine Marie Søderdahl Friis joined MT Højgaard Holding A/S's Board of Directors as employee-elected Board member on 5 January 2022, replacing Jesper Hoffmann.

The members of the Board of Directors receive a fixed annual remuneration, which is approved at the Company's AGM for the current financial year. These members are not covered by a pension plan and do not receive variable or incentive-based pay. The annual remuneration must be in accordance with market practice for comparable enterprises, taking into account the required skills, efforts, duties and the nature of the work and responsibilities.

All Board members receive the same annual base remuneration, which was DKK 350,000 for 2022, while the Chairman receives 3 times the fixed annual base remuneration and the Deputy Chairman 1.5 times the fixed annual base remuneration. Additional fees for committee work, including ad hoc committees, must be determined by the Board of Directors after considering the precise scope and workload of such committee work and must also be approved by the General Meeting.

Additional fees for sitting on the Audit Committee may total an amount of up to 0.85 times the fixed annual base remuneration for ordinary members and up to 1.75 times the fixed annual base remuneration for the Chairman of the Audit Committee.

The separate fee for participation in the Nomination Committee and the Remuneration Committee may amount to up to 0.25 times the annual base remuneration for each committee.

Furthermore, members of the Board of Directors may receive an additional fee for ad hoc work, however, this option was not exercised in 2022.

The remuneration for 2022 was adopted by the AGM of MTHH on 16 March 2022.

# MT HØJGAARD HOLDING

## Remuneration of individual members of the Board of Directors in 2022

Remuneration of individual members of the Board of Directors				
		MT Højgaard Holding A/S		
Name	Position	Board of Directors	Committee	Total
Carsten Dilling	Chairman of the Board of Directors and Chairman of the Nomination Committee and the Remuneration Committee	1,050,000	50,000	1,100,000
Morten Hansen	Deputy Chairman of the Board of Directors from 16 March 2022 and member of the Nomination Committee and the Remuneration Committee	415,625	18,750	434,375
Anders Lindberg	Deputy Chairman of the Board of Directors and member of the Nomination Committee and the Remuneration Committee until 16 March 2022 and Chairman of the Audit Committee	393,750	172,917	566,667
Christine Thorsen	Member of the Board of Directors	350,000	-	350,000
Janda Campos	Member of the Board of Directors	350,000	-	350,000
Pernille Fabricius	Member of the Board of Directors and member of the Audit Committee	350,000	83,333	433,333
Steffen Baungaard	Member of the Board of Directors	350,000	-	350,000
Peter Martin Facius	Employee-elected Board member	350,000	-	350,000
Lars Tesch Olsen	Employee-elected Board member	350,000	-	350,000
Stine Marie Sjøderdahl Friis	Employee-elected Board member	350,000	-	350,000
<b>Total remuneration, in DKK</b>		<b>4,309,375</b>	<b>325,000</b>	<b>4,634,375</b>

*The published remuneration does not include reimbursed expenses incurred by the individual members of the Board of Directors as part of their meeting activities at MTHøjgaard Holding A/S.*

# MT HØJGAARD HOLDING

## 4. Remuneration of the Executive Board

The Board of Directors is of the opinion that a combination of fixed and performance-related remuneration of the Executive Board helps ensure that the Company can attract and retain a competent and value-creating Executive Board and that partially incentive-based remuneration encourages the Executive Board to create value for the benefit of the shareholders.

The remuneration package for the Executive Board consists of a fixed remuneration (base salary), a short-term bonus and a long-term incentive (LTI) programme. Moreover, it is possible for the Board of Directors, in special cases, to grant a member of the Executive Board an option programme and/or an extraordinary bonus. The Executive Board also receives non-monetary benefits such as a company car, telephone, etc. Expenses incurred by members of the Executive Board in connection with travel, conferences, training/education, etc. are reimbursed by the Company.

In 2022, the remuneration of the Executive Board was composed of the following:

- **Base salary:** An annual market-consistent remuneration that is fixed based on skills, performance, experience, scope of work and responsibilities, taking into consideration the rate of pay rise for executives and other employees.
- **Other benefits:** Housing, car, telephone, etc.
- **Short-term bonus:** Covering a maximum of 7.5 months of the fixed monthly base salary per financial year. The annual bonus schemes are contingent on the targets defined in the annual bonus agreement being met in whole or in part.
- **Long-term incentive (LTI) programme:** An investment of 25% to 100% of the short-term bonus earned by members of the Executive Board is converted into shares that vest over a three-year period and may qualify for free shares (maximum grant/deduction of 0.5 free share per share a year).

# MT HØJGAARD HOLDING

## Remuneration of individual members of the Executive Board in 2022

Remuneration of individual members of the Executive Board							
Name	Position	Year	Fixed remuneration		Variable remuneration		Total
			Base salary	Other benefits*	Short-term bonus (Incl. adjustment in respect of previous years)	LTI programme**	
Henrik Mielke	President and Chief Executive Officer	2022	3,958,333	187,030	2,148,667	0	<b>6,294,029</b>
	From 15 March 2022	Share	63%	3%	34%	0%	<b>100%</b>
Morten Hansen ***	President and Chief Executive Officer	2022	1,750,000	57,813	-250,000	220,313	<b>1,778,126</b>
	Until 14 March 2022	Share	98%	3%	-14%	12%	<b>100%</b>
Rasmus Untidt	Chief Financial Officer	2022	185,484	10,602	55,645	0	<b>251,731</b>
	From 9 December 2022	Share	74%	4%	22%	0%	<b>100%</b>
Martin Solberg ****	Chief Financial Officer	2022	6,882,864	35,768	1,391,907	253,085	<b>8,563,624</b>
	Until 8 December 2022	Share	80%	0%	16%	3%	<b>100%</b>
<b>Total remuneration, in DKK</b>		<b>2022</b>	<b>12,776,680</b>	<b>291,213</b>	<b>3,346,219</b>	<b>473,398</b>	<b>16,887,510</b>

\* Other benefits include the tax base of free residence, free telephone, car allowance, mileage allowance and insurance.

\*\* The LTI programme has been calculated using the grant date fair value of the contingent shares that correspond to the estimated and maximum number of contingent shares to vest at the maturity date multiplied by the grant date share price. There have been no grants of contingent shares to Henrik Mielke and Rasmus Untidt in the period in which they have been Executive Officers.

\*\*\* In continuation of his resignation as President and CEO of MT Højgaard Holding A/S and as part of a negotiated overall termination agreement, Deputy Chairman Morten Hansen has disposed of shares purchased and vested ('Matching shares') in 2020-2022 under the Group's long-term share-based bonus programme. Under the agreement, the major part of the total value of the purchased and vested shares will be settled in cash. The number of shares was 57,834 nos. (exercised 46,267 contingent shares and lapsed 11,567 contingent shares) at a total price of DKK 8,222,986. Morten Hansen also received severance pay of DKK 250,000.

\*\*\*\* Base salary to Martin Solberg include s severance pay of DKK 3,558,143.

# MT HØJGAARD HOLDING

## Short-term bonus of individual members of the Executive Board in 2022

The short-term bonus of the individual members of the Executive Board is based on the targets for MTHH's EBIT before special items and order intake in 2022 being met. In 2022, the Executive Officers achieved performance ratios of 75%.

The two existing Executive Officers (Henrik Mielke and Rasmus Untidt) have decided to invest all of their short-term bonus earned in 2022 in the LTI programme in MT Højgaard Holding A/S. The same applies to former Executive Officer Martin Solberg.

Short-term bonus of individual members of the Executive Board					
	Position	Weight	Actual results*	Earned bonus	Maximum bonus
Henrik Mielke	President and Chief Executive Officer				
<i>KPIs in the MT Højgaard Holding Group</i>	From 15 March 2022				
<i>EBIT before special items and special amortisation in 2022</i>		50%	Over	2,148,667	2,864,583
<i>Order intake 2022</i>		50%	Over		
<b>Performance ratio</b>				<b>75%</b>	
Rasmus Untidt	Chief Financial Officer				
<i>KPIs in the MT Højgaard Holding Group</i>	From 9 December 2022				
<i>EBIT before special items and special amortisation in 2022</i>		50%	Over	55,645	74,194
<i>Order intake 2022</i>		50%	Over		
<b>Performance ratio</b>				<b>75%</b>	
Martin Solberg	Chief Financial Officer				
<i>KPIs in the MT Højgaard Holding Group</i>	Until 8 December 2022				
<i>EBIT before special items and special amortisation in 2022</i>		50%	Over	1,498,261	1,998,162
<i>Order intake 2022</i>		50%	Over		
<b>Performance ratio</b>				<b>75%</b>	

\* Short-term bonus has been fixed on the basis of actual financial results, and forms the basis for "above", "equal to" or "below" each target set. Earned bonus for Henrik Mielke and Rasmus Untidt constitutes bonus for the period in which they have been Executive Officers only.



# MT HØJGAARD HOLDING

## Long-term incentive (LTI) programme

MTHH's existing long-term bonus programme (LTI programme) was adopted at the AGM held on 17 March 2020. The LTI programme is effective for 2020 and onwards and replaces the 2019 programme. The overall principles and the remuneration components of the adjusted programme have remained unchanged from the 2019 programme in all material respects. The aim of the LTI programme is still to ensure convergence of interests of Management and shareholders, to strengthen and retain the attachment of members of the Executive Board to the Group, and to intensify Management's focus on financial targets, including high and long-term value added.

The LTI programme is effective in parallel with MTHH's short-term cash bonus programme for the Executive Board and entitles members of the Executive Board to invest 25% to 100% of any short-term bonus they may have earned the year before. The LTI programme is a revolving, conditional share incentive scheme that is based on an annual right to have conditional shares granted in MTHH ("LTI Grant"). Shares acquired under the LTI Grant are subject to a three-year maturity period.

Under certain conditions, members of the Executive Board may become eligible for additional contingent "Matching Shares" paid for by MTHH. Any dividend on shares acquired by the member of the Executive Board under the LTI programme, inclusive of any Matching Shares, is automatically re-invested in shares in MTHH ("Dividend Shares").

The value of the shares of the individual members of the Executive Board, inclusive of any Matching Shares or Dividend Shares, under the LTI programme cannot exceed two years' base salary for such members per LTI Grant, calculated using the stock market value of the mature shares at the maturity date.

Executive Board members' share of their LTI Grant in the custody account, inclusive of Dividend Shares, will be subject to an annual grant or deduction of Matching Shares based on developments in the Company's share price or its financial performance. Consequently, the original LTI Grant or investment by the Executive Board member may be subject to deduction. Matching Shares are granted or deducted in full shares, and for the combined maturity period they cannot exceed +/- 0.5 share per share in the custody account, rounded down to the nearest full share.

Executive Board members' right to receive the shares as part of the LTI Grant, inclusive of any Matching Shares or Dividend Shares, is subject to continued employment at the maturity date (or resignation as a good leaver). A bad leaver will lose all of their LTI Grants and thus all immature conditional shares, including any Matching Shares or Dividend Shares. The right to receive Matching Shares is also contingent on MTHH in the financial year prior to the LTI Grant and in the three subsequent financial years (four financial years in aggregate) for at least one year either having distributed dividend to the shareholders of MT Højgaard Holding A/S or having reduced the long-term liabilities.

## MT HØJGAARD HOLDING

In March 2022, Martin Solberg invested 100% of his short-term bonus for 2021 of DKK 1,917,000 in 10,890 investment shares in MTHH at the grant price of DKK 176.036 per share, qualifying him to receive up to a maximum of 5,445 contingent shares ("Matching Shares") if the share price increases by 100% or more from the grant date to the vesting date. Fair value of a contingent share has been calculated at DKK 177.7282 per share at the grant date, which amount has been calculated using the average share price over the first five weekdays after the grant date of 16 March 2022. The value of the grant was calculated at a total of DKK 253,085 based on, among other factors, the expected maturity period of three years from the grant date, the expected increase in the MT Højgaard Holding A/S share price from the grant date to the vesting date, and assuming that either dividend is paid or long-term liabilities are repaid.

Henrik Mielke and Rasmus Untidt have not been granted contingent shares in the period in which they have been Executive Officers.

### **Terms of termination and severance pay**

Executive Board members have a term of notice of 6-12 months towards MTHH whereas MTHH can terminate an Executive Board member at 12 months' notice.

MTHH may, in exceptional circumstances, require repayment (claw-back), in whole or in part, of variable remuneration (cash or share-based) if disbursement was made using incorrect or inaccurate data. This was not the case in 2022, 2021, 2020 or 2019.

# MT HØJGAARD HOLDING

## 5. Comparison of remuneration and accounting figures

Comparison of remuneration and accounting figures							
	2022	Change	2021	Change	2020	Change	2019***
<b>Executive Board – remuneration</b>							
Henrik Mielke (from 15 March 2022)	6,294,029						
Morten Hansen* (until 14 March 2022) *****	1,778,126	-50%	12,807,243	56%	8,183,852		1,229,000
2019, annualised for comparison							6,866,000
Converted to annual increase						19%	
Rasmus Untidt (from 9 December 2022)	251,731						
Martin Solberg** (until 8 December 2022) *****	8,563,624	26%	7,073,473	50%	4,714,535		3,417,000
2019, annualised for comparison							4,753,920
Converted to annual increase						-1%	
<b>Board of Directors – remuneration</b>							
Carsten Dilling	1,100,000	0%	1,100,000	0%	1,100,000	25%	881,944
Morten Hansen (until February 2020 and from March 2022)	434,375		-		32,184	8%	259,753
Anders Lindberg	566,667	-21%	716,667	-14%	837,500	14%	733,333
Christine Thorsen	350,000	0%	350,000	0%	350,000	8%	325,000
Janda Campos (from March 2021)	350,000	0%	262,500		-		-
Pernille Fabricius	433,333	0%	433,333	-11%	487,500	-26%	658,333
Steffen Baungaard (from March 2021)	350,000	0%	262,500		-		-
Ole Jess Bandholtz Røsdahl (until March 2021)	-		87,500	0%	350,000	8%	325,000
Peter Martin Facius (from March 2021)	350,000	0%	262,500		-		-
Lars Tesch Olsen (from March 2021)	350,000	0%	262,500		-		-
Stine Marie Søderdahl Friis (from January 2022)	350,000	0%	-		-		-
Jesper Hoffmann (from March 2021 to December 2021)	-		262,500		-		-

# MT HØJGAARD HOLDING

## 5. Comparison of remuneration and accounting figures, continued

Comparison of remuneration and accounting figures (continued)							
	2022	Change	2021	Change	2020	Change	2019***
<b>Employees – average remuneration</b>							
The MT Højgaard Holding Group's average remuneration of employees	601,335	-2%	615,509	6%	579,366	3%	562,764
Employees of the MT Højgaard Holding Group (FTE)	2,772	0%	2,785	4%	2,680	23%	2,178
MT Højgaard Holding A/S's average remuneration of employees	830,909		756,599		-		-
Employees of MT Højgaard Holding A/S other than the Executive Board (FTE)	55		60		-		-
<b>Financial results</b>							
Revenue of the MT Højgaard Holding Group, in DKK million	8,654	20%	7,203	21%	5,951	27%	4,672
EBIT before special items of the MT Højgaard Holding Group, in DKK million					87	601%	12
EBIT before special items and special amortisation of the MT Højgaard Holding Group, in DKK million ****	276	54%	179	45%	124		
The MT Højgaard Holding Group's order intake, in DKK million	11,888	19%	9,950	33%	7,506	20%	6,267

\* For 2019, remuneration as acting President and CEO covers the period from November to December 2019 (incl.). For 2020, remuneration as acting President and CEO covers the period from January 2020 and as permanent President and CEO from February 2020.

\*\* For 2019, remuneration as CFO covers the period from June 2019 to December 2019 (incl.).

\*\*\* 2019 also covered remuneration of the former President and CEO for the period 5 April 2019 to 13 November 2019 in the total amount of DKK 16.6 million, including remuneration, severance pay for 12 months and a bonus for 2019 etc. In addition, the former President and CEO earned a bonus of approximately DKK 2 million for 2020.

\*\*\*\* New performance measure introduced in 2021.

\*\*\*\*\* Including termination benefit of DKK 250,000 to Morten Hansen and DKK 3,558,143 to Martin Solberg in 2022.

# MT HØJGAARD HOLDING

## 6. Statement by the Board of Directors

The Board of Directors has today considered and approved the remuneration report of MT Højgaard Holding A/S for the financial year 1 January to 31 December 2022.

The remuneration report is presented in accordance with section 139b of the Danish Companies Act.

In our opinion, the remuneration report is in accordance with the Company's remuneration policy, which has been adopted at the Company's Annual General Meeting, and is free of material misstatement, whether due to fraud or error.

We recommend the remuneration report for advisory vote at the Company's Annual General Meeting.

Søborg, 23 February 2023

### Board of Directors

**Carsten Dilling**  
Chairman

**Morten Hansen**  
Deputy Chairman

**Anders Lindberg**

**Steffen Baungaard**

**Christine Thorsen**

**Janda Campos**

**Pernille Fabricius**

**Stine Marie Søderdahl Friis**

**Peter Martin Facius**

**Lars Tesch Olsen**

# MT HØJGAARD HOLDING

## 7. Independent auditor's report on the remuneration report

### To the shareholders of MT Højgaard Holding A/S

As agreed with the company's Board of Directors, we have examined whether the remuneration report of MT Højgaard Holding A/S for the financial year 1 January – 31 December 2022 contains the disclosures required pursuant to section 139b(3) of the Danish Companies Act.

The degree of assurance we express in this report is reasonable.

### The Board of Directors' responsibility for the remuneration report

The Board of Directors is responsible for the preparation of the remuneration report in accordance with section 139b(3) of the Danish Companies Act, and the Remuneration Policy dated 16 March 2022 adopted by the shareholders in General Meeting.

The Board of Directors is also responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error.

### Auditor's independence and quality control

We have complied with the auditor independence requirements and other international codes of ethics for accountants issued by the International Ethics Standards Board for Accountants (IESBA Code), which rely on general principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct as well as ethics requirements applicable in Denmark.

EY Godkendt Revisionspartnerselskab is subject to the International Standard on Quality Control, ISQC 1, and thus uses a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable requirements of laws and other regulations.

### Auditor's responsibilities

Our responsibility is to express a conclusion on the remuneration report based on our examinations. We performed our work in accordance with ISAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and additional requirements under Danish audit regulation to obtain reasonable assurance for our conclusion.

As part of our examinations, we performed the below procedures:

- ▶ We verified whether the remuneration report contains the disclosures required pursuant to section 139b(3)(i)-(vi) of the Danish Companies Act regarding the remuneration of each member of the Board of Directors and the Executive Board.

We believe that our work provides a reasonable basis for our conclusion.

# MT HØJGAARD HOLDING

## Conclusion

In our opinion, the remuneration report, in all material respects, contains the information required pursuant to section 139b(3) of the Danish Companies Act.

Copenhagen, 23 February 2023

EY Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28

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