Remuneration Policy

1. Introduction

1.1. This policy has been prepared in accordance with the principles of sections 139 and 139a of the Danish Companies Act and provides the framework for the remuneration of the Board of Directors and the Executive Board of IMPERO A/S (the "Company").

1.2. The Executive Board means executives registered with the Danish Business Authority as members of the Executive Board.

1.3. The policy has been considered and approved at the Company's general meeting on 10 April 2025.

1.4. The purpose of the remuneration policy is to ensure that the Company's Executive Board has a common interest with its shareholders and to attract and retain expertise at the Board of Directors and at the Executive Board level. The remuneration shall support the long-term interests, strategy, and sustainability of the Company.

2. Remuneration to the Board of Directors

2.1. All members of the Board of Directors receive a fixed annual base fee.

2.2. The Chair can receive a fee of up to 300% of the base fee. The Vice Chair can receive a fee of up to 200% of the base fee.

2.3. In case the Board of Directors decides to establish one or more board committees, the board members with a seat in a board committee will be entitled to receive an extra fee for work conducted in relation hereto. The levels of such extra fees will be approved by the general meeting.

2.4. The Company pays all reasonable travel- and accommodation costs related to board meetings.

2.5. In order to ensure the alignment of interests between the Board of Directors and the Company's shareholders, and to ensure that the Company's short and long-term goals are met, members of the Board of Directors may, in addition to the annual base fee, receive a share-based remuneration in the form of warrants in the Company.

2.6. Granted warrants provide the right, but not an obligation, to subscribe for shares in the Company at a fixed exercise price per share in a fixed exercise period not exceeding 5 years. The key terms are determined by the Company's general meeting.

2.7. The value of the annual grant of warrants to a member of the Board of Directors may represent a value of up to 300% of the board members' annual base fee.

2.8. The value of the warrants is calculated using the Black-Scholes model.

2.9. The remuneration of the Board of Directors is approved at the annual general meeting.

3. Remuneration to the Executive Board

3.1. The remuneration of the Executive Board is determined by the Board of Directors in line with the remuneration policy approved at the annual general meeting.

3.2. The Board of Directors seeks to maintain a balanced remuneration level between the Executive Board and the employees, considering market benchmarks and the responsibilities of the Executive Board. Additionally, the Board aims to ensure competitive remuneration for all employees.

3.3. The terms of employment for the Executive Board are aligned with the terms for Executive Board members in comparable companies. The notice for termination may be up to 12 months for the Company and up to 12 months for the executive.

3.4. For the purpose of ensuring a balanced remuneration reflecting the Company's current stage of development and position, whilst at the same time ensuring an adequate competitive remuneration to retain members of the Executive Board, the total remuneration of the Executive Board consists of: (i) a fixed base salary, (ii) a potential cash bonus, (iii) a potential share-based remuneration in the form of warrants and (iv) other usual benefits.

3.5. Fixed salary
3.5.1. The base salary will be agreed annually between the Executive Board and the Board of Directors.
3.5.2. The Company may pay pension contributions to members of the Executive Management.
3.5.3. Work-related benefits such as internet and mobile phones are made available to the Executive Management.

3.6. Customary non-monetary employment benefits

3.6.1. The remuneration of the Executive Board is determined in order to ensure alignment of interests between the Executive Board and the Company's shareholders, and to ensure that the Company's short and long-term goals are met. The variable remuneration may comprise shares, share options and warrants, as well as non-share-based bonus agreements – both ongoing and one-off/event-based.

3.6.2. Variable remuneration will be offered to the Executive Board in order to encourage common goals for the Executive Board and the shareholders and promote the Company's business strategy. In addition, the Executive Board's historic and expected performance, motivation and retention and the general development of the Company can be taken into consideration.

3.7. Short-term cash bonus

3.7.1. A cash bonus will be granted annually or semi-annually and is contingent on the achievement of set financial and non-financial targets for the Company and/or personal objectives of the individual member of the Executive Board. The financial targets can be linked to ARR, revenue, EBITDA margin, annual result, cash flow, or similar. The non-financial objectives can be linked to customer satisfaction, employee satisfaction, compliance targets or strategic milestones.

3.7.2. Upon expiration of a bonus period the Board of Directors will evaluate the achievement of the financial- and nonfinancial targets based on the Company's accounts and relevant internal measures. The evaluation will depend on the specific target.

3.7.3. The amount of the bonus depends on the degree to which the set targets and/or objectives are achieved. Members of the Executive Board can receive a cash bonus per year of up to 100% of their fixed annual salary.

3.7.4. The Board of Directors may - in addition to the abovementioned short-term cash bonus - decide to grant the individual member of the Executive Board a full discretionary bonus to award extraordinary remuneration – for example sign-on bonus, retention bonus, or severance payment – if deemed to promote the long-term interests of the Company. The extraordinary bonus is maximized at 100% of the fixed annual salary.

3.8. Long-term share-based remuneration

3.8.1. In order to ensure alignment of interests between the Executive Board and the Company's shareholders, and to ensure that the Company's short and long-term goals are met, members of the Executive Board may, in addition to the annual base fee, receive a share-based remuneration in the form of warrants in the Company. The value of the annual grant to a member of the Executive Board according to the Company's long-term share-based incentive programs may represent a value of up to 300% of the Executive Board members' annual salary.

3.8.2. The value of the warrants is calculated using the Black-Scholes model.

3.8.3. Granted warrants provide a right, but not an obligation, to subscribe for shares in the Company at a fixed exercise price per share in a fixed exercise period not exceeding 5 years. The Company may set out vesting conditions and periods in connection with the grant.

4. Claw back

4.1. The Board of directors can stipulate that it reserves the right to claw back any variable remuneration if the variable remuneration is based on incorrect information, calculation errors or gross misconduct on the part of a member of the Board of Directors or an Executive Board member. Similarly, it can be stipulated that non-vested or non-exercised warrants will lapse.

5. Deviations from the remuneration policy

5.1. In extraordinary circumstances the Board of Directors may on a discretionary basis decide to award extraordinary remuneration – for example sign-on bonus, retention bonus, payment of relocation costs or severance payment – if deemed necessary to promote the long-term interests of the Company. The extraordinary remuneration can be cash based or share based remuneration. A decision to award extraordinary remuneration does not constitute a deviation from the remuneration policy. Furthermore, the Board of Directors may make temporary deviations from the remuneration policy. Deviations may include changes to the relative proportion of the remuneration components of the Board of Directors and the Executive Board, respectively, changes to the maximum value of short-term incentives, changes to the long-term share-based program, including maximum value and duration of the program.

5.2. Deviations shall be discussed and approved by the Board of Directors.

5.3. Any deviations from the Remuneration policy that have been effectuated during the past financial year for the Executive Management along with an explanation of the reasons behind such deviations should be made public in the Company's annual report or a specific remuneration report.

6. Procedure for adoption and conflicts of interest

6.1. This remuneration policy is prepared and approved by the Company's Board of Directors. The policy must be reviewed continually, but every fourth year as a minimum.

6.2. The remuneration policy shall be approved at the Company's general meeting every fourth year as a minimum. Any material change in the remuneration policy must be approved at the general meeting.

6.3. According to the Board of Directors no conflict of interests exists as the remuneration policy and all material changes must be approved by the general meeting. Remuneration to the members of the Board of Directors is approved annually at the general meeting. The Board of Directors determines and approves the remuneration to members of the Executive Board within the framework of the remuneration policy.

7. Approval and publication

7.1. On 10 April 2025 the remuneration policy was approved at the Company's annual general meeting with the required majority.

7.2. Upon approval by the general meeting the remuneration policy will be available at the Company's website: https://Impero.com/