

**REMUNERATION POLICY FOR THE BOARD OF DIRECTORS AND THE
EXECUTIVE MANAGEMENT**

COPENHAGEN AIRPORTS A/S

CVR NO. 14707204

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Introduction

This policy describes the overall principles approved by the Annual General Meeting on 2 April 2020, that will be used to set up and manage the remuneration of the Board of Directors and the Executive Management (directors registered at the Danish Business Authority).

The policy is updated when deemed necessary, but with the ambition of only seeking re-approval from the Annual General Meeting every fourth year. The policy complies with the requirements set out in the Danish Business Act §139a and is inspired by the recommendations in the Danish Corporate Governance Code of 23 November 2017. The policy is published on the CPH company website.

The overall remuneration principles are:

- Competitive remuneration packages are offered to attract, retain and reward key skills to achieve CPH's strategic ambitions aligned with the sustainability and long-term interest of the company. Determining the total remuneration level and structure may include comparison to both Danish and European Large Cap companies and reflecting the special nature and market situation of the business.
- Pay is linked to performance, as the Board of Directors believes that the best results are achieved when a relatively high proportion of the Executive Management's total remuneration is fully contingent on achievement of stretched short and long term objectives which support the achievement, directly or indirectly, of the strategic priorities unpinning the business strategy and/or company purpose – and thereby is aligned with the long term interest of the company.
- The remuneration framework is designed to promote the long-term sustainability of the company by not promoting to excessive risk taking. This is achieved through a balanced mix of fixed and variable remuneration, and a balanced approach to performance objectives.
- The remuneration framework is reviewed regularly to ensure that it continues to reward the Board of Directors and the Executive Management while protecting shareholders' interest.

Remuneration components

Board of Directors

To attract qualified and competent members, the board members will receive remuneration which is comparable with that paid by other Large Cap companies. All fees related to working in or for the Board of Directors are determined by the Annual General Meeting.

The general principles for remuneration to the members of CPH's Board of Directors are the following:

Remuneration component	Purpose and operation	Performance measures and their link to the company strategy, long term interest and sustainability as well as evaluation method
Base Salary and other fixed supplements (fixed remuneration)	The remuneration of the board members consists of a fixed fee. Special roles e.g. Chairman or Deputy Chairman as well as sub-committee chairman- or memberships may be remunerated with an additional overall or per responsibility fee or per meeting fee. Individual members of the Board of Directors may request not to receive remuneration or to receive a lower level of remuneration than following the above principles.	No performance measures
Pension and other benefits (fixed remuneration)	Fees to the Board of Directors are not pensionable.	No performance measures
Annual bonus and long term incentives (variable remuneration)	No member of the Board of Directors is eligible for variable pay	Not applicable
Stay on arrangements (variable remuneration)	No member of the Board of Directors is eligible for any type of sign on or stay on arrangements	Not applicable
Other remuneration elements	All members of the Board of Directors are eligible for travel, accommodation and other reasonable expenses in connection with board work.	No performance measures

Executive Management

The general principles for remuneration to the members of CPH's Executive Management are the following:

Remuneration component	Purpose and operation	Performance measures and their link to the company strategy, long term interest and sustainability as well as evaluation method
<p>Base Salary and other fixed supplements (fixed remuneration)</p>	<p>The purpose of the component is to provide a base level of earnings to attract and retain key executive skills, and furthermore to ensure a foundation that balances performance-based remuneration and help ensure that the remuneration package does not motivate to excessive risk taking and thereby supports the long term sustainability of the company.</p> <p>The base salary is reviewed annually by the Board of Directors. The base salary accounts for approximately 40 % of the total remuneration in an "on target" scenario for variable remuneration.</p>	<p>No performance measures</p> <p>May include role and incumbent typical allowances.</p>
<p>Pension and other benefits (fixed remuneration)</p>	<p>The purpose of the component is to provide benefits in line with market practice or otherwise reasonable for the specific position.</p> <p>Executive Management has a defined contribution pension scheme, with a company paid pension contribution. Members of the Executive Management may have a number of work and/or health-related benefits at their disposal, including but not limited to a company car, free telecommunication and other benefits related to the position. For some benefits a cash allowance in lieu of receiving the specific benefit may be applicable at the discretion of the Board of Directors.</p> <p>The scope and level of the individual benefits are negotiated with the individual member of the Executive Management and is assessed against the composition of the total remuneration package.</p> <p>The value of pension and benefits is approximately 25-30 % of base salary.</p>	<p>No performance measures</p>

<p>Short Term Incentives (variable remuneration)</p>	<p>The purpose of the component is to reward the delivery of short-term targets that directly or indirectly supports the CPH strategy or purpose.</p> <p>The objectives are set based on a number of parameters reflecting CPH’s role and responsibility in society and/or combined with the efforts to drive a successful business enabling long term value creation for the shareholders. Objectives are enablers of CPH’s strategy and/or purpose. Objectives are typically set for a 12 months period.</p> <p>Objectives may either reflect company performance or individual performance.</p> <p>If no individual targets are met, the member of the Executive Management will not be entitled to any bonus, including bonus based on company results.</p> <p>Partial delivery on individual targets results in a partial bonus payout on the individual part of bonus.</p> <p>Objectives and targets are determined annually and specified to the individual member of the Executive Board by the Board of Directors.</p> <p>The on-target value of short-term incentives must not exceed 50 % of annual base salary. The maximum achievement rate is 150 % of “on target” performance.</p> <p>There are no mandatory deferrals attached to the annual bonus. The company can reclaim variable remuneration in accordance with the general Danish legal principle on claims recovery.</p> <p>The Board of Director may buy out any and all Short-Term Incentive Plans and compensate through a one-off payment or a time limited supplement.</p>	<p>Typical but not exhaustive list of performance measures:</p> <p>Company objectives reflecting elements such as financial results, customer satisfaction, safety and compliance performance and environmental/climate impact.</p> <p>Balanced, broad-based and “triple bottom-line”-inspired approach to company performance is aligned with the corporate strategy and believed to support the long-term interest and sustainability of the company.</p> <p>Typically evaluated against ambitions in the operational plan or other Board approved targets. A minor degree of discretion may be applied in assessing performance.</p> <p>Individual objectives reflecting strategic, stakeholder management and/or leadership elements.</p> <p>Individual objectives are determined by the Board of Directors to ensure the objectives are aligned with the corporate strategy and generally to support the long-term interest and sustainability of the company.</p> <p>Assessed by the Board of Directors and will typically include a level of discretion.</p>
<p>Long term incentives (variable remuneration)</p>	<p>The purpose of the component is:</p> <p>(i) To ensure retention (and, if necessary, attraction of new members) of the Executive Management by offering an</p>	<p>Objectives have a material focus on long term financial results in order to create shareholder alignment and ensure</p>

	<p>addition to the fixed salary and short-term incentive plan.</p> <p>(ii) To ensure that the members of the Executive Management focus on long-term value creation for CPH, in order to ensure that shareholders' interests are met as best possible and to ensure focus on the long-term sustainability of the company.</p> <p>(iii) To ensure that the remuneration of the members of the Executive Management is indirectly linked to the shareholders' loss of and gain in value, through relevant, primarily financial, objectives.</p> <p>Objectives are typically set for a 36 months period or longer.</p> <p>Objectives and targets are selected annually by the Board of Directors such that the objectives as a whole directly or indirectly support the achievement of the strategy, the long-term interest of the company and the sustainability of the company.</p> <p>The Board of Directors evaluates performance predominantly against a predefined long-term target in the operation plan or another Board of Directors' approved target or ambition. A discretionary assessment may be part of the evaluation.</p> <p>The on-target value of long-term incentives must not exceed 1/3 of the annual base salary. The maximum achievement rate is 150 % of "on target" performance.</p> <p>There are no mandatory deferrals attached to the long-term incentive scheme. The company can reclaim variable remuneration in accordance with the general Danish legal principle on claims recovery.</p> <p>The Board of Director may buy out any and all Long-Term Incentive Plans and compensate through a one-off payment or a time limited supplement.</p>	<p>focus on long term value creation and the sustainability of the company.</p> <p>Other objectives that may be included are:</p> <ul style="list-style-type: none"> • strategy implementation, • customer satisfaction, • safety performance, • environmental/climate impact, • stakeholder management • etc.
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Stay on arrangements (variable remuneration)	<p>The purpose of the component is to provide a specific incentive for the member of the Executive Board to remain employed with the company for a specific period.</p> <p>The component may only be used in extraordinary circumstances and is capped at a value of 12 months total maximum remuneration. The value of the component should however also consider the length of the performance period.</p>	<p>May or may not include performance conditions beside continued employment.</p> <p>Performance conditions are determined and assessed by the Board of Directors at their full discretion.</p>
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The maximum granted variable remuneration (constituting ordinary short term incentives and granted long term incentives but excluding any sign on, buy out or stay on arrangements) is capped at 55 % of total remuneration (including base salary, pension, value of benefits, short term incentives and long term incentives granted for the performance year).

In extraordinary circumstances, the Board of Directors may at its discretion grant one off payments or incentives payments to an extent of the equivalent to 12 months' base salary.

Recruitment

When appointing a new member of the Executive Management the principles set out in the below table is applied:

Remuneration Component	Notes
Ongoing remuneration	<p>The salary, benefits and ordinary incentives (short term- and long-term incentives) will be positioned and delivered within the framework of the Executive Management table.</p>
Sign on and buy out	<p>There may be a need to compensate a new member of the Executive Management for loss or forfeiture of entitlements including but not limited to various types of variable remuneration.</p> <ul style="list-style-type: none"> - This will only be permitted on receiving reasonable evidence of a loss - Typically, the replacement award will mirror what was lost (e.g. same maturity, performance stretches etc). However, as replacements may come in many forms and typically as share based remuneration, a reasonable conversation may be applied including a one-off up front buy out or replacement settled in cash <p>Apart from ongoing remuneration and compensation for forfeited entitlements, there may be circumstances where the Board of Directors needs to offer a one-off recruitment incentive, typically in the form of a one-off cash payment. Such payments are limited to a value of 12 months total remuneration, including the cash equivalent value of all elements including base salary, maximum short term- and maximum long-term incentives as well as benefits and pension.</p>

Loss of office

Key terms	Notes
Notice Periods	<p>Notice periods are maximized to 12 months remuneration, including all remuneration elements.</p> <p>The Executive may be relieved of his/her duties for part or the full notice period at the discretion of the Board of Directors. The Board of Directors has the discretion to compensate the Executive for any unexpired portion of the notice period.</p>
Termination payment	The total value of the remuneration relating to the notice period, including severance pay, may not exceed two years of remuneration, including the maximum of all components of the remuneration.
Incentives	The member of the Executive Management may be eligible for a prorated part of variable remuneration

Policy review

The remuneration policy is reviewed regularly, and at least every second year, by the Remuneration Committee against the remuneration market practice, corporate strategy, shareholder feedback etc. Any feedback from the shareholders i.e. at the Annual General Meeting through the indicative vote about the Remuneration Report or otherwise, will be presented and discussed in the Remuneration Committee when revising the policy.

As part of the development and review of the Remuneration Policy, the Board of Directors are presented with a high-level overview of employee remuneration and other employment terms.

To avoid conflicts of interest the policy is prepared and reviewed by the Remuneration Committee, approved by the Board of Directors and ultimately decided by the Annual General Meeting. In the preparatory work the Remuneration Committee may invite external experts to advise the Committee. External experts advising the Remuneration Committee should as a main rule be independent from advisors used by the company in drafting changes to the policy.

Policy deviations

The Board of Directors may deviate from any and all parts of this policy where the Board of Directors finds that it is in the best interest of the company. Any and all deviations from the Remuneration Policy must be disclosed at the next ordinary Annual General Meeting. A deviation can exist until the next ordinary Annual General Meeting, unless the Annual General Meeting decide on a, typically time limited, extension of the deviation.

Approved at CPH's Annual General Meeting on 2 April 2020.