

WIRTEK A/S

REPORTING ON THE RECOMMENDATIONS ON CORPORATE GOVERNANCE FOR LISTED GROWTH COMPANIES 2022

Adopted by the Board of Directors in Wirtek as part of the publication
of the annual report regarding fiscal year 2022 on 22 March 2023

Recommendation	Company complies	The company’s explanation and plans		
		Why	How	Plans
1. Interaction with the company's shareholders, investors, and other stakeholders				
1.1 The Committee recommends that the company adopts a strategy for the company's equity story, which shall be made available on the company's website.	Compliant		The equity story of Wirtek is available on Wirtek’s website and is being re-evaluated on a regular basis.	
1.2. The Committee recommends that the company adopts and disclose a policy for the company’s corporate social responsibility, i.e., how the company benefits its customers and the surrounding society.	Non-compliant	Doing business in a sustainable way is an integral part of all of Wirtek’s activities, however, Wirtek has not formulated a formal policy regarding its corporate social responsibility work		Wirtek has established an internal work group that will as its first task evaluate the existence of the needed data to be able to perform adequate ESG reporting.
1.3. The Committee recommends that management, through ongoing dialogue, ensures shareholders and other stakeholders’ relevant insight into the company's affairs, and that the Board of Directors acquaints with and includes the shareholders' opinions in its work, so that the Board	Compliant		Wirtek’s top management participates in a number of meetings with shareholders through external investor meetings and presentation. Feedback	

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of Directors can best represent the shareholders' views.			from such meetings are provided to the Board of Directors. Additionally, Wirtek monitors shareholder opinions from social medias and the medias in structured way.	
1.4. The Committee recommends that the company's ongoing news flow is consistent and easy to assess, including that the individual news shows how news in company announcements fits into the strategy and affects value creation.	Compliant			
1.5. The Committee recommends that the company adopts a communication strategy for the publication of information via company announcements, press releases, etc. as well as for communication via social media, chat rooms etc.	Compliant		The company has adopted and published an Investor Relations policy including Wirtek's minimal rules for communicating with its shareholders. The Investor Relations policy	

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			can be found on Wirtek's website .	
1.6. The Committee recommends that the company publish quarterly reports or, alternatively, quarterly updates, including mention of developments in the most important financial conditions (value-impacting factors).	Compliant		Wirtek publishes quarterly reports with comprehensive descriptions of state of the business and a financial overview.	
1.7. The Committee recommends that the company prepare profit guidance and that the guidance include the coming financial year.	Compliant		Wirtek publishes its outlook for the fiscal year after the approval of the annual internal budget and after finalising the annual contract negotiations with the existing customers	
1.8. The Committee recommends that the company strive for the greatest possible transparency on ownership structure, management constraints and lock-up periods. Regarding the ownership structure, it is recommended to provide clear information about shareholders' stated	Compliant		Wirtek publishes as part of the annual report major shareholder information including the shareholdings and warrants of the Board of Directors and Senior Management as well as a	

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ownership shares (e.g., the information registered by the company with the Danish Business Authority) on the company's website, in addition to any information about ownership that major shareholders have consented to be disclosed on the company's website.			comprehensive overview of all share-based incentive schemes. Major shareholders are disclosed on Wirtek's website .	
1.9. The Committee recommends that if persons related to founders, majority shareholders, board members and members of the executive management are employed by the company, the Board of Directors must keep a list of these relationships and at least once a year assess whether it is still appropriate to maintain the employment relationships of the related parties.	Compliant		No related persons are employed by the company.	
2. The duties and responsibilities of the Board of Directors				
2.1. The Committee recommends that the Board of Directors be composed of competent board members with relevant experience for the individual	Compliant		The current Board of Directors has considerable and in-depth knowledge about	During 2023, Wirtek plans to expand the current board with additional new board

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company (e.g., experience from a listed company, experience with internationalisation, business development, financial matters, etc.) and that the board's overall competence cover the company's needs.			Wirtek's international business areas obtained over a long period of time. The chairman of the Board has in depth knowledge of rules and regulation relevant for listed companies as well as very deep financial knowledge.	members to broaden and enhance the strategic knowledge of the Board.
2.2. The Committee recommends that the chairman of the Board of Directors be independent and/or that at least half of the board members elected by the General Meeting are independent, so that the Board of Directors can act independently of special interests.	Non-compliant	The current Board of Directors is not considered independent given the length of their tenure exceeding 12 years.		Wirtek plans to add additional independent board members in 2023 to ensure the overall independence of the Board of Directors.
2.3. The Committee recommends that members of the executive management should not be included as part of the Board of Directors.	Non-compliant	The CEO of the company group is currently a member of the Board of Directors.		The CEO of Wirtek is planning to step down from his board position at the general meeting in April 2023.
2.4. The Committee recommends that the Board of Directors carry out a	Compliant		The Board of Directors evaluate the board	

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board evaluation once a year and that it, among other things, conducts a board evaluation, focuses on the recommendations on the board's work, efficiency, composition and organization.			composition and work of the board internally on an annual basis.	
2.5. The Committee recommends that the Board of Directors at least once a year evaluates the work and results of the executive management in accordance with pre-established criteria, and that the chairman subsequently reviews this with the executive management.	Compliant		The Chairman of the Board evaluates the work of the executive management as part of the annual discussion of variable compensation schemes.	
2.6. The Committee recommends that the Board of Directors prepare a budget for profit and cash flow, including a liquidity plan with sufficient liquidity buffer for the next 12 months.	Compliant		Wirtek creates annual budgets comprising profit loss statement, balance sheets and cash flow statements and performs scenario analysis on such budgets.	
2.7. The Committee recommends that the Board of Directors continuously assess the company's capital structure	Compliant		The Board of Directors' regularly assess the company's capital	

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and capital needs and evaluate the financing structure and opportunities, while retaining existing and attracting new shareholders in order to achieve the desired shareholder structure.			structure and capital needs.	
2.8. The Committee recommends that the company has a contingency procedure for takeover attempts that contains a "roadmap" for the matters that the Board of Directors should consider and decide on if a takeover bid has been made or the Board of Directors has a reasonable suspicion that a takeover bid may be made. This is particularly relevant if the market value of the company's shares is significantly below the company's own valuation of the company's value.	Non-compliant	The shareholdings of the Board of Directors and Senior management accounts for a substantial part of the total number of shares in the company. Any takeover bid will thus need a formal approval and endorsement of the Board of Directors and the Executive management.		
2.9. The Committee recommends that the Board of Directors approves a policy for the company's corporate	Non-compliant			Wirtek has established an internal work group that will as its first task

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social responsibility, including social responsibility and sustainability, and that the policy is available in the management report and/or on the company's website.				evaluate the existence of the needed data to be able to perform adequate ESG reporting.
2.10. The Committee recommends that the board prepares an annual wheel in which the individual responsibilities are incorporated and that the annual wheel is evaluated annually.	Compliant		The Board of Directors plans for 9 scheduled meetings annually and 1-2 annual on-site visits to our Romanian subsidiary. Additionally, the Board of Directors meet the entire management team regularly on a bi-monthly basis	
2.11. The Committee recommends that the Board of Directors at least once a year evaluates the ongoing reporting and decides on the content, format and frequency.	Compliant		Wirtek has over the last few years improved the financial reporting substantially	Wirtek plans to further enhance the quarterly reporting with additionally financial and non-financial data.
3. Remuneration of management				
3.1. The Committee recommends that share-based incentive programs be	Compliant		All share-based incentive programs are described	

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market-compliant, including that they are revolving, i.e., with periodic allocation, and are primarily long-term with an accrual or maturation period of at least three years.			in detail in the annual reports, and all existing incentive programs are revolving and long-term	
3.2. The Committee recommends that the variable part of the remuneration has a ceiling at the time of award and that there is transparency about the potential value at the time of utilization under respectively, pessimistic, expected and optimistic scenarios.	Non-compliant	The current shares-based incentive programs aimed at employees and management member by nature has no limits. Personal bonuses schemes at management and employee levels all have a limit amount.		
3.3. The Committee recommends that the company prepares a remuneration policy, that the remuneration policy is market-compliant and that the variable part of the remuneration is linked to the most important value-creating conditions for the company, including	Non-compliant	The current remuneration policy is mainly focused on the financial performance of the company.		When a data-based ESG reporting standard has been created in Wirtek relevant ESG measures will be added as measuring points for

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relevant financial conditions and ESG key figures.				personal bonus schemes.
3.4. The Committee recommends that the total value of the executive management's remuneration for the notice period, including severance pay, is market-compliant and does not exceed two years' remuneration including all remuneration shares.	Compliant			
3.5. In order to align the risk profile of the Board of Directors with that of shareholders and to attract qualified board competencies, the Committee recommends that variable remuneration in the form of long-term incentive programmes be considered as an element of the Board of Directors' total remuneration.	Compliant		In 2021, Wirtek implemented a market compliant long-term incentive program for top management level including the Board of Directors.	
3.6. The Committee recommends that the annual report should include transparency regarding executive and board remuneration, including the size and possible dilution effect of incentive programs.	Non-compliant	The remuneration of the executive level and Board level is not made public. The possible dilution effects of all		Wirtek plans to seek a listing on Nasdaq main market in Copenhagen no later than by the end of 2025. Full remuneration reports

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		incentive programs are made public.		will be made available as part of the preparation for a listing on Nasdaq main market.
4. Risk management				
4.1. The Committee recommends that the Board of Directors consider, based on the company's strategy and business models, the most important strategic, operational, and financial risks (e.g., the company's financial leverage and interest rate and foreign exchange risks).	Compliant		The most significant risks related to Wirteks business have been identified and is described in details in the annual report.	
4.2. In order to reduce the company's cost of capital, the Committee recommends that the company explain in the management report the principal risks and the company's risk management and provide sensitivity analyses for the most important risk conditions.	Non-compliant	Wirtek describes the principal risks in its annual report but does not provide sensitivity analyses on the principal risks		Wirtek is currently implementing a new group-wide ERP system and when completed in 2023 thorough risk analysis including sensitivity analysis will be completed.