

Remuneration

Report 2020

Contents

Introduction	3
Financial performance in 2020	3
Remuneration for the Board of Directors	3
Remuneration for the Executive Board	5
Total remuneration for the Executive Board in 2020	5
Comparative figures for the last five fiscal years	8
Deviations from the Remuneration Policy	9
Statement by the Board of Directors	10
Independent auditor's report	11

Remuneration Report

This Remuneration Report constitutes part of the management's report to the Annual Report 2020 for Columbus A/S, cf. section 139b of the Danish Companies Act. The report covers the financial year 1 January 2020 to 31 December 2020.

Introduction

The Remuneration Report provides an overview of the total remuneration paid and earned by each of the members of the Board of Directors and the Executive Board in Columbus A/S in 2020 with comparative figures for the past four financial years.

At the beginning of the year, the Executive Board consisted of two executives registered with the Danish Business Authority. However, during the year the CEO & President left the Company, and at 31 December 2020, the Executive Board consisted of only one executive registered with the Danish Business Authority.

The overall objective with Columbus' Remuneration Policy is to ensure;

1. that Columbus will constantly be able to attract, motivate and retain qualified members of the Board of Directors and Executive Board
2. aligned interests for the Company's shareholders, Board of Directors and Executive Board

3. promoting of long-term interests and sustainability of Columbus and fulfilment of its business strategy short-term and long-term.

The Remuneration Report for 2020 is based on the Remuneration Policy adopted by the General Meeting on 28 April 2020. The Remuneration Policy is available at Columbus' website: <https://ir.columbusglobal.com/policies-articles-association>

Financial performance in 2020

Columbus came off to a strong start of the year with solid top and bottom line growth. However, when Covid-19 hit in March, many customers started holding back investments which consequently impacted our business slowing down sales, delaying tenders and postponing project deliveries. Despite the global pandemic, 2020 was a year with progress in many areas of the business, and especially during Q4, where we started seeing our sales picking up with a good outlook for 2021.

All numbers and comments in the Annual Report are on the continued operations, whereas the bonus scheme target for the Executive Board is based on results including discontinued operations.

In 2020, revenue for the continued operations reached DKK 1,655m and DKK 1,787m including discontinued operations, which was within the outlook announced in the H1 Interim Report 2020.

In 2020, EBITDA for the continued operations amounted to DKK 138m, and DKK 204m including discontinued operations, which was slightly above the announced outlook due to a strong Q4.

Remuneration for the Board of Directors

No changes were made in the Board of Directors in Columbus A/S in 2020. The Board consists of:

- Ib Kunøe, Chairman
- Sven Madsen, Deputy Chairman
- Peter Skov Hansen, Board member
- Karina Kirk Ringsted, Board member

The Audit Committee consists of:

- Peter Skov Hansen, Chairman
- Sven Madsen, member

Remuneration components

Remuneration consists of a fixed fee, and in addition, the Board of Directors may allot share-based instruments to the members of the Board.

Fixed remuneration:

Members of the Board of Directors in Columbus A/S receive a fixed annual basic remuneration. The Chairman of the Board receives triple basic remuneration. The Chairman of the Audit Committee receives an additional remuneration of 50% of the basic remuneration, and other members of the Audit Committee receive an additional remuneration of 25% of the basic remuneration. In addition, any travel expenses related to Board meetings are reimbursed.

As part of the Annual Report, the General Meeting approves the remuneration of the Board of Directors.

In March 2020 it was announced that the Board of Directors had reduced their fees by 30% due to the Covid-19 crisis. The table below provides an overview of regular fees, as well as the reduced fees for 2020:

DKK '000	Regular fee	Reduced fee
Board of Directors fee		
Chairman (3x fixed fee)	300	210
Board member	100	70
Audit Committee fee		
Chairman	50	35
Member	25	18

The table to the right shows the total remuneration earned by the individual members of the Board of Directors. Besides the fixed fee and the Audit Committee fee, Sven Madsen

received a one-off bonus related to the divestment of To-Increase, as he played a crucial role during the entire sales process as part of the Steering Committee. The one-off bonus was conditional on a successful sale of To-Increase.

The Board of Directors' assessment is that the remuneration of the Board of Directors does not differ materially from other comparable companies.

Share-based incentives:
As the value of a share-based instrument is linked directly to the development of the share price of the company based on the long-term results, share based instruments are found by the Board of Directors to contribute to the long-term sustainable value creation in the company.

Total remuneration of the Board of Directors in 2020

DKK'000	Fixed fee	Audit Committee fee	One-off bonus	Total
Board of Directors				
Ib Kunøe (Chairman)	210	0		210
Sven Madsen (Deputy Chairman)	70	18	1,000	1,088
Peter Skov Hansen (member)	70	35		105
Karina Kirk Ringsted (member)	70	0		70

Members of the Board of Directors were granted a warrant program in December 2017.

The warrant programs are granted with a maturity period of one to three years after allotment. Thus, 1/3 of the program matures and may be exercised one year after allotment, 1/3 matures after two years and may

be exercised two years after allotment, and the last 1/3 matures after three years and may be exercised three years after allotment. Allotment and maturity are conditional on continuous membership of the Board at the time of maturity.

The overview below shows warrant programs held by the Board of Directors.

Overview of warrant programs – Board of Directors

	Warrants held at beginning of year	No. of warrants granted during the year	Exercise price	Cancelled	Vested at the end of the year	Exercised during the year	Warrants held at end of year	Value of remaining warrants*	Value of Vested warrants
Board of Directors									
Ib Kunøe (Chairman)									
Granted December 2017 (expires 30 March 2021)	90,000	0	13.15	0	60,000	0	90,000	146,913	97,942
Sven Madsen (Deputy chairman)									
Granted December 2017 (expires 30 March 2021)	180,000	0	13.15	0	120,000	0	180,000	293,825	195,884
Peter Skov Hansen (member)									
Granted December 2017 (expires 30 March 2021)	90,000	0	13.15	0	60,000	0	90,000	146,913	97,942
Karina Kirk Ringsted (member)									
Granted December 2017 (expires 30 March 2021)	90,000	0	13.15	0	60,000	0	90,000	146,913	97,942

*The market value of the warrants is calculated using the Black-Scholes formula with the volatility, risk-free interest rate, duration and official share price prevailing at 31 December 2020. The calculated market value of the warrants is thus different from the intrinsic value.

Overview of shareholding – Board of Directors

Direct and indirect ownership in Columbus A/S	Shares held at 1 January 2020	Changes in fiscal year, shares	Shares held at 31 December 2020	Warrants held at 1 January 2020	Changes in fiscal year, warrants	Warrants held at 31 December 2020
Consolidated Holdings A/S	57,454,032	180,000	57,634,032			
Board of Directors						
Ib Kunøe	360,000	0	360,000	90,000	0	90,000
Sven Madsen	768,529	0	768,529	180,000	0	180,000
Peter Skov Hansen	280,000	0	280,000	90,000	0	90,000
Karina Kirk Ringsted	20,000	0	20,000	90,000	0	90,000

Remuneration for the Executive Board

From 1 January 2020 to 27 August 2020, the Executive Board consisted of:

- Thomas Gregers Honoré, CEO & President
- Hans Henrik Thrane, Corporate CFO

Since 28 August 2020, the Executive Board has consisted of:

- Hans Henrik Thrane, Interim CEO & Corporate CFO

In line with the Remuneration Policy, the Board of Directors determines the remuneration of the Executive Board. The size and components of the remuneration are evaluated on a yearly basis.

Remuneration components

Remuneration consists of a fixed base salary, a short-term bonus scheme and a long-term share-based incentive program.

Fixed remuneration:

The fixed salary is determined based on market standard, including scope of responsibility and qualifications.

Other benefits:

Other benefits include health insurance, company car allowance and company paid phone.

Variable remuneration:

Variable remuneration consists of a short-term bonus scheme with a term of one year. The short-term bonus target is the announced EBITDA outlook for the year (if the announced EBITDA outlook is within a range, the bonus target will be set in the middle of the announced range). Thus, the short-term bonus is fully dependent on the Company's result for the year.

The bonus scheme contains an accelerator for the target bonus in case the target result is exceeded. Bonus schemes for the Executive Board allow members to receive a bonus per financial year of up to 70% of the member's fixed annual remuneration.

Share-based incentives:

As the value of a share-based instrument is linked directly to the development of the share price of the Company based on the

Share-based incentives:

As the value of a share-based instrument is linked directly to the development of the share price of the Company based on the long-term results, share-based instruments are found by the Board of Directors to contribute to the long-term sustainable value creation in the Company.

The carrying amount, based on Black-Scholes, of the share-based instruments allotted in a given financial year may be up to 50% of the fixed annual remuneration of the individual executive.

The warrant programs are granted with a maturity period of one to three years after allotment. Thus, 1/3 of the program matures and may be exercised one year after allotment, 1/3 matures after two years and may be exercised two years after allotment, and the last 1/3 matures after three years and may be exercised three years after allotment. Allotment and maturity are conditional on continuous employment at the time of maturity.

Total remuneration for the Executive Board in 2020

In March 2020, it was announced that the Executive Board had reduced their remuneration by 30% of their total On Target Earning (OTE), which includes fixed salary, other benefits and short-term bonus, for the remaining part of 2020 due to the Covid-19 crisis. The 30% reduction did not apply to one-off bonuses and share-based instruments.

On 27 August 2020 Thomas Gregers Honoré left his position as CEO & President but remains under contract with Columbus until the end of February 2022.

The total remuneration earned by Thomas Gregers Honoré in the period January to August 2020 was DKK 5,108k. The total remuneration included fixed remuneration and variable remuneration.

The total fixed remuneration for January to August 2020 consisted of a base salary of DKK 2,541k and DKK 136k in other benefits.

The variable remuneration consisted of share-based instruments and a one-off bonus of DKK 2,000k related to the sale of To-Increase.

The EBITDA target for the short-term bonus was DKK 180m. The EBITDA result for 2020 was DKK 204m, and would thus normally result in a short-term bonus. However, due to the 30% reduction in remuneration from April to December 2020, the short-term bonus amounted to DKK 0.

Thomas Gregers Honoré was granted a warrant program of 180,000 warrants in February 2020. The first third of this warrant program vested 1 January 2021 and may be exercised in March 2021. The warrant program will expire in April 2023.

The value of the warrant program for 2020 was DKK 431k. 50,000 of the warrants covering the period 1 March 2022 to 31 December 2022 will be cancelled. When excluding this one-off bonus, the total

normalized remuneration for 2020 amounted to DKK 4,433k, corresponding to a decline of 12% compared to the total remuneration for 2019.

The total remuneration earned by Hans Henrik Thrane in 2020 was DKK 6,174k. The total remuneration included fixed remuneration and variable remuneration. The total fixed remuneration for 2020 consisted of a base salary of DKK 2,554k and DKK 204k in other benefits.

The variable remuneration consisted of share-based instruments and a one-off bonus of DKK 2,985 related to a special allowance for the CEO interim responsibility and the sale of To-Increase. Hans Henrik Thrane played a crucial role during the entire sales process as part of the Steering Committee. This part of the one-off bonus was conditional on a successful sale of To-Increase.

The EBITDA target for the short-term bonus was DKK 180m. The EBITDA result for 2020 was DKK 204m, and would thus normally result in a short-term bonus payment. However, due to the 30% reduction in remuneration from April to December 2020, the short-term bonus amounted to DKK 0.

Hans Henrik Thrane was granted a warrant program of 180,000 warrants in February 2020. The first third of this warrant program vested 1 January 2021 and may be exercised in March 2021. The warrant program will expire in April 2023. The value of the warrant program for 2020 was DKK 431k.

It is the Board of Directors' assessment that the remuneration of the Executive Board does not differ materially from other companies comparable in size and business activities.

Clawback

In 2020, there was no legal or factual basis on which to exercise claw-back or request repayment of incentives for current or former executives.

Termination

Hans Henrik Thrane can terminate his agreement with three months' notice and the Company can terminate the agreement with nine months' notice. In case of termination by either party, Columbus must pay cash remuneration, other benefits, bonus on a pro rata basis and share based payments on a pro rata basis until the end of the notice period.

In the event of death during employment by the Company, a cash remuneration for the current month plus another six months shall be paid to the spouse or children under the age of 21.

Remuneration of the Executive Board in 2020

DKK '000	Fixed remuneration					Variable remuneration				Total fixed & variable remuneration
	Fixed base salary	Pension	Other benefits	Special allowance	Total	Short-term bonus	One-off bonus	Share-based instruments	Total	
Thomas Honoré, CEO (until 27 August 2020)	2,541	0	136	0	2,677	0	2,000	431	2,431	5,108
In percent	50%	0%	3%	0%	52%	0%	39%	8%	48%	100%
Severance pay*				7,517	7,517				0	7,517
Hans Henrik Thrane, CFO (Interim CEO & CFO from 28 August 2020)	2,554	0	204	0	2,758	0	2,985	431	3,416	6,174
In percent	41%	0%	3%	0%	45%	0%	48%	7%	55%	100%
Total without special arrangements	5,095	0	340	0	5,435	0	4,985	862	5,847	11,282
In percent	45%	0%	3%	0%	48%	0%	44%	8%	52%	100%

* In connection with Thomas Honoré's resignation, the Board of Directors determined an allowance of DKK 7,517 thousand for the period September 2020 to end February 2022. This corresponds to 2019 level fixed basic salary, on-target bonus and other benefits and is thus in accordance with the remuneration policy. The severance pay is expensed in the financial year 2020.

Overview of warrant programs - Executive Board

	Warrants held at beginning of year	No. of warrants granted during the year	Exercise price	Cancelled	Vested at the end of the year	Exercised during the year	Warrants held at end of year	Value of remaining warrants*	Value of Vested warrants
Executive Board									
Thomas Honoré, CEO									
Granted December 2017 (expires 30 March 2021)	270,000	0	13.15	0	180,000	0	270,000	440,738	293,825
Granted April 2018-1 (expires 30 March 2021)	350,000	0	15.08	0	350,000	0	350,000	587,580	587,580
Granted April 2018 (expires 30 March 2021)	700,000	0	12.30	0	350,000	0	700,000	1,757,980	878,990
Granted February 2020 (expires April 2023)	0	180,000	8.99	0	0	0	180,000	263,592	0
Total	1,320,000	180,000		0	880,000	0	1,500,000	3,049,890	1,760,395
Hans Henrik Thrane, CFO									
Granted December 2017 (expires 30 March 2021)	270,000	0	13.15	0	180,000	0	270,000	440,738	293,825
Granted April 2018-1 (expires 30 March 2021)	350,000	0	15.08	0	350,000	0	350,000	587,580	587,580
Granted April 2018 (expires 30 March 2021)	700,000	0	12.30	0	350,000	0	700,000	1,757,980	878,990
Granted February 2020 (expires April 2023)	0	180,000	8.99	0	0	0	180,000	263,592	0
Total	1,320,000	180,000		0	880,000	0	1,500,000	3,049,890	1,760,395

* The market value of the warrants is calculated using the Black-Scholes formula with the volatility, risk-free interest rate, duration and official share price prevailing at 31 December 2020. The calculated market value of the warrants is thus different from the intrinsic value.

Overview of shareholding – Executive Board

Direct and indirect ownership in Columbus A/S	Shares held at 1 January 2020	Changes in fiscal year, shares	Shares held at 31 December 2020	Warrants held at 1 January 2020	Changes in fiscal year, warrants	Warrants held at 31 December 2020
Thomas Honoré	1,806,197	53,152	1,859,349	1,320,000	180,000	1,500,000
Hans Henrik Thrane	1,128,800	0	1,128,800	1,320,000	180,000	1,500,000

Comparative figures for the last five fiscal years

The overview below shows the comparative figures for the last five financial years for remuneration (including base salary, bonuses and other benefits) of the Board of Directors, the Executive Board and the average remuneration of employees based on FTE's as well as the development in Group EBITDA results.

As mentioned above, the members of the Executive Board, Thomas Gregers Honoré and Hans Henrik Thrane earned a one-off bonus in 2020, which impacted the total remuneration for 2020 significantly compared to 2019 and compared to the annual change in average remuneration of employees. When excluding the one-off bonus, the annual change in remuneration in 2020 for Thomas Gregers Honoré was -12% and -16% for Hans Henrik Thrane.

As the short-term bonus for the Executive Board is fully dependent on the Company's EBITDA result for the year, there is normally a clear connection between development in the Company's results and the remuneration of the Executive Board. However, as mentioned earlier, the Executive Board did not earn any short-term bonus for 2020 due to the 30% reduction in remuneration from April to December 2020.

The annual change of remuneration from 2018 and 2019 shows an increase for the Executive Board and a decrease in average remuneration of employees. This is due to the fact that in 2019, Columbus hired a substantial number of graduates as well as new employees in our Global Delivery Center in India, resulting in a different mix of employees. This explains the annual change from 2018 to 2019.

Comparative figures for the last five financial years										
DKK '000	2020	Annual change	2019	Annual change	2018	Annual change	2017	Annual change	2016	
Remuneration Board of Directors										
Ib Kunøe (Chairman)	210	-30%	300	0%	300	0%	300	100%	150	
Sven Madsen (Deputy Chairman)	**88	-30%	125	0%	125	0%	125	67%	75	
Peter Skov Hansen (member)	105	-30%	150	0%	150	0%	150	50%	100	
Karina Kirk Ringsted (member)*	70	-30%	100	0%	100	0%	0	0%	0	
Jørgen Cadovius (previous member)*	0	0%	0	0%	0	-100%	100	100%	50	
Remuneration Executive Board										
Thomas Honoré, CEO	**4,433	-12%	5,048	8%	4,686	24%	3,785	-8%	4,114	
Hans Henrik Thrane, CFO	**3,189	-16%	3,778	10%	3,421	6%	3,231	9%	2,964	
Group results										
EBITDA (including discontinued operations)	203,808	-14%	238,070	39%	171,409	17%	146,208	6%	138,546	
Average remuneration of employees based on FTE***										
The Company's employees	667	0%	670	-4%	699	3%	680	-6%	724	
The Group's employees	574	-2%	587	-4%	609	6%	575	-2%	589	

*Joined/left the board in April 2018

** Normalized remuneration (Excluding one-off bonus in 2020. Including share-based instruments granted in 2020).

*** Continued operations

Deviations from the Remuneration Policy

To ensure the long-term interest of the company, the Board of Directors may under extraordinary circumstances deviate from the Remuneration Policy, and under such circumstances the Board of Directors can choose to award a one-off bonus scheme. This can be as a fixed cash bonus or as a share-based bonus.

In 2020 the Board of Directors decided to deviate from the Remuneration Policy in relation to remuneration for Board members. According to the Remuneration Policy, Board remuneration consists of a fixed fee, and in addition, the Board of Directors may allot share-based instruments to the members of the Board.

In 2020, the Board of Directors decided to grant a one-off bonus in addition to the fixed fee to Sven Madsen in relation to the sale of To-Increase. Sven Madsen played a crucial role during the entire sales process as part of the Steering Committee. The one-off bonus was conditional on a successful sale of To-Increase. The sale of To-Increase was announced in December 2020 and finalized in January 2021.

Statement by the Board of Directors

The Board of Directors has today considered and approved the Remuneration Report of Columbus A/S for the financial year 01.01.2020 - 31.12.2020.

The Remuneration Report has been prepared in accordance with Section 139b of the Danish Companies Act.

In our opinion, the remuneration report is in accordance with the remuneration policy adopted at the Annual General Meeting, and is free from material misstatement and omissions, whether due to fraud or error.

The remuneration report will be presented for an advisory vote at the Annual General Meeting on 27 April 2021.

Ballerup, 16 March 2021

Board of Directors



Ib Kunø
Chairman



Sven Madsen
Deputy Chairman



Peter Skov Hansen



Karina Kirk Ringsted

Independent auditor's report

To the shareholders of Columbus A/S

We have examined whether Management has fulfilled its obligations to disclose the information required by section 139b(3) of the Danish Companies Act in the company's remuneration report for 2020.

Management's responsibility

Management is responsible for the preparation of the remuneration report in accordance with section 139b of the Danish Companies Act and the remuneration policy adopted at the Annual General Meeting.

Further Management is responsible for the internal control that the Board of Directors considers needed to prepare the remuneration report that is free from material misstatement and omissions, whether due to fraud or error.

Auditor's responsibility

It is our responsibility to express a conclusion on whether Management has fulfilled its obligations to disclose the information required by section 139b(3) of the Danish Companies Act in the company's remuneration report.

We have conducted our examinations 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 about our conclusion.

Deloitte Statsautoriseret Revisionspartnerselskab is subject to International Standard on Quality Control (ISQC) 1 and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by FSR - Danish Auditors (Code of Ethics for Professional Accountants), which are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our examinations included an examination of whether the remuneration report, to the extent relevant, includes the disclosures required by section 139b(3), items 1-6, of the Danish Companies Act for the remuneration of each member of Management.

Our examinations have not included an examination of accuracy and completeness of the disclosures, and we do not express any conclusion on this.

Copenhagen, 16 March 2021

Deloitte
Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56



Bill Haudal Pedersen
State-Authorised Public Accountant
MNE no mne30131



Eskild Nørregaard Jakobsen
State-Authorised Public Accountant
MNE no mne11681

Conclusion

It is our opinion that Management has fulfilled its obligations to disclose, in all material respects, the information required by section 139b(3) of the Danish Companies Act in the company's remuneration report for 2020.