

Corporate Governance Statement 2024



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Corporate Governance in Columbus

This statutory report constitutes part of the management's report to the Annual Report 2024 for Columbus A/S, cf. section 107b of the Danish Financial Statements Act. This statutory report covers the financial year 1 January 2024 to 31 December 2024.

Columbus is committed to follow the Danish Recommendations on Corporate Governance of 2 December 2020, issued by the Danish Committee on Corporate Governance. Accordingly, the Board of Directors continuously considers the recommendations in order to determine which are relevant for Columbus, considering the size, ownership structure, nature of the Company and the Company's business model.

Columbus A/S:

- Complies with 35 of the 40 recommendations.
- Does not comply with five of the recommendations; 1.3.1, 3.4.4, 3.4.5, 3.5.1 and 4.1.2.

Deviations are described under "Recommendations on Corporate Governance" on page 6, according to the "comply or explain" principle.

This report is not covered by the auditor's remarks about the management's report.

Shareholders

The shareholders have final authority over the Company and exercise their right to make decisions at general meetings. At the Annual General Meeting, shareholders approve the Annual Report, any amendments to the Company's Articles of Association and elect Board members and state-authorized public accountant company.

The Board of Directors emphasize that the shareholders are given detailed information and an adequate basis for the decisions to be made by the General Meeting. The date for the General Meeting is announced in the Company's financial calendar and on the website. Notice of the General Meeting occurs electronically with at least three weeks' and at the most, five weeks' notice. All shareholders have the right to participate and vote at the General Meeting, cf. the Articles of Association. Shareholders have the opportunity to vote by proxy. Votes by proxy allow shareholders to consider each individual item on the agenda. The Board of

Directors encourages shareholders to ask questions at the General Meeting, and shareholders may submit proposals that are requested to be handled at the General Meeting before a given deadline.

Resolutions to amend the Articles of Association require that at least half of the share capital is represented at the General Meeting, and the resolutions must be approved by at least 2/3 of the votes cast and 2/3 of the registered voting share capital. Proposals presented or recommended by the Board of Directors may, however, always be passed with at least 2/3 of both the votes cast and the voting share capital represented, regardless of the amount of the share capital represented. If less than 50% of the share capital is represented at the General Meeting but the resolution has been passed with 2/3 of both the votes cast and the registered voting share capital represented, a new General Meeting must be called within three weeks, where the resolution may be passed with 2/3 of both the votes cast and the registered voting share capital represented, irrespective of whether 50% of the share capital is represented.

Management

Columbus has a unified management structure consisting of a Board of Directors and an Executive

Board. The two bodies are separate, and no one serves as members of both.

Board of Directors

The Board of Directors is responsible for the overall management of the Company on behalf of the shareholders and supervises the Company and the work of the Executive Board, including ensuring adequate management of the Company in compliance with legislation and Articles of Association. Together with the Executive Board, the Board of Directors determines goals and strategies, and approves budgets and action plans.

The Board of Directors makes decisions about acquisitions, large investments and divestments, size and composition of capital base, long-term debt, controlling, auditing and considerable operational circumstances.

The Board of Directors in Columbus A/S consists of five members: Ib Kunøe, Sven Madsen, Peter Skov Hansen, Karina Kirk and Per Kogut. The board members are elected for one year at a time with the option for re-election. The number of board members is considered adequate by the Board of Directors, and likewise the composition of the Board is considered appropriate in terms of professional experience and relevant special competences to perform



the tasks of the Board of Directors. Three out of the five members elected by the General Meeting are independent members, and none of the Board members participates in the day-to-day operation of the Company.

For more details about the members of the Board of Directors and the members of the Audit Committee, please see "Board of Directors and Executive Board" on page 36 in the Annual Report 2024.

The Board of Directors holds at least nine meetings a year according to a meeting schedule planned one year in advance at the Board meeting in November. Extraordinary Board meetings are held according to need. In 2024, ten Board meetings were held. All Board members attended all meetings. The Executive Board participates in Board meetings in order to ensure a direct dialogue and that the Board of Directors is well informed about the operation of the Company.

In 2024, the Board of Directors focused on the following areas:

- Macro-economic situation
- Acquisitions
- Financial reporting
- Capital and share structure
- Investor Relations and Information policies
- Strategy
- Risk management and internal controls
- Budgets

The general guidelines for the Board of Director's work are specified in the Rules of Procedure, which are reviewed at least once annually and are adapted to Columbus' needs.

Executive Board

The Board of Directors appoints the Executive Board and determines the terms of employment. The Executive Board is responsible for the day-to-day operation and management of Columbus, including strategy, budgets, and targets for the Company.

The Executive Board consists of two members: CEO & President Søren Krogh Knudsen and Group CFO Brian Iversen.

The Board of Directors has adopted Rules of Procedure for the Executive Board, which describe the overall tasks and responsibilities of the Executive Board, reporting to the Board of Directors and authorities of the Executive Board.

Information from the Executive Board occurs systematically as well as at meetings and in written and verbal ongoing reporting. The reporting contains information about financial development as well as profitability.

Audit Committee

The purpose of the Audit Committee is to supervise accounting, audit, risk and controlling issues. The Audit Committee consists of Peter Skov Hansen (Chairman) and Sven Madsen. One of the two

members of the Audit Committee (Peter Skov Hansen) is considered an independent member.

The tasks of the Audit Committee have been determined in the Terms of Reference, which has been approved by the Board of Directors. The Terms of Reference are available on the Company's website. The Committee determines the meeting frequency. In 2024, six meetings were held. Both Audit Committee members attended all meetings.

In 2024, the Audit Committee focused on the following areas:

- Financial reporting and audit planning
- Monitoring risk management and internal control systems
- Monitoring the auditors' independence and audit process
- Reporting to the Board of Directors
- CSRD reporting

Evaluation of performance

The Chairman of the Board is responsible for conducting an annual evaluation of performance.

The individual Board members and the Executive Board members anonymously complete an online survey. The survey covers assessment of the Board's and individual members' work, competencies, results, composition and committee structure, and an assessment of the Executive Board's work, including the areas operation, finance, strategy, organization and management. Also, the cooperation

between the Board and the Executive Board is assessed.

The results of the evaluation are presented and discussed at the subsequent Board meeting.

Based on the evaluation, which was conducted in 2024, it was concluded that the work of the Board of Directors and Executive Board is efficient, and that the composition and qualifications of the Board of Directors is appropriate in terms of professional experience and relevant special competences to perform the tasks of the Board of Directors in the best possible manners.

Also, there is a high degree of satisfaction with the cooperation between the Board of Directors and the Executive Board.

Dialogue with shareholders and other stakeholders

Columbus endeavors to continuously enhance the open and active dialogue with shareholders and other stakeholders. The communication between Columbus and shareholders primarily takes place via company announcements, at the Company's Annual General Meeting and via conference calls after publication of financial statements. These calls can be followed live via the Company's website, and webcasts are available at the website after the conference calls for one year. During these conference calls participants have the opportunity to ask questions to the Executive Board.

The Company's website is continuously updated with published information. Columbus'



shareholders may subscribe to Columbus' e-mail service and receive company announcements, interim management statements, interim reports, and annual reports as well as other news via e-mail.

Internal controls and risk management related to financial reporting

The intention with Columbus A/S' internal control system is to eliminate or mitigate significant risks identified in the financial reporting, and that material errors and inconsistencies in the financial reporting process are identified and corrected.

Overall control environment

The Board of Directors has the overall responsibility for Columbus A/S' internal controls and has approved Group policies related to internal controls, standards, and procedures for financial reporting.

The Board of Directors has appointed an Audit Committee to assist the Board of Directors with supervising the financial reporting process and monitoring the effectiveness of the internal controls and risk management system.

The responsibility for maintaining efficient internal controls and a risk management system in connection with the financial reporting lies with the Executive Board which in cooperation with the Board of Directors evaluate the control system of the Group annually. Responsibilities, authorities, and procedures relating to essential areas are defined in a Group policy which is approved by the Board of Directors.

Risk assessment

The Board of Directors and the Executive Board annually assess the risks that Columbus A/S is exposed to, including risks related to the financial reporting process.

On an ongoing basis, the Audit Committee monitors the effectiveness of the internal controls for financial reporting and reviews and discusses material and relevant changes to accounting principles, including implementation of these.

Control activities and monitoring

All business units in the Columbus Group report financial and operational data to the head office on a monthly basis. The reporting includes comments on the financial and business development. Based on this reporting the Group's financial statements are consolidated and reported to the Group management. As part of this process, monthly business reviews and controlling meetings are held, and control visits to all operational companies in the Group are performed on an ongoing basis in order to ensure that any material errors in the financial reporting are discouraged, discovered, and corrected.

The need for an internal audit is considered annually by the Audit Committee. However, due to the size of the Company and the established control activities the Audit Committee so far considers it unnecessary to establish an independent internal audit function.

Information and communication

Columbus A/S has implemented a formalized reporting process for monthly, quarterly, and annual reporting as well as for budgeting and forecasting.

Columbus A/S's reporting manual and other reporting instructions are updated on an ongoing basis. All updates are communicated to the global finance organization. All employees have access to reporting manuals and instructions.

Whistleblower function

As part of the risk management, Columbus A/S has established a whistle blower function for expedient and confidential notification of possible or suspected wrongdoing. So far, no cases have been reported through the whistleblower scheme.



THE REPORT CONCERNS THE FINANCIAL YEAR 1 JANUARY - 31 DECEMBER 2024.



Recommendations for Corporate Governance

Recommendation	The company complies	Explanation: Why	Explanation: How
1. Interaction with the company’s shareholders, investors and other stakeholders			
1.1. Communication with the company’s shareholders, investors and other stakeholders			
1.1.1. The Committee recommends that the management through ongoing dialogue and interaction ensures that shareholders, investors and other stakeholders gain the relevant insight into the company’s affairs, and that the board of directors obtains the possibility of hearing and including their views in its work.			Columbus seeks to provide a high and consistent level of information to our shareholders and other interested parties. A company goal is to have an open and active dialogue with shareholders, share analysts, the press and the public in order to ensure the necessary insight and thereby the best possibility to evaluate the Company. This will be obtained in accordance with rules and legislation for companies listed on Nasdaq Copenhagen and in accordance with Columbus’ Investor Relations policy. Communication with interested parties takes place via the ongoing publication of notifications, investor presentations and individual meetings.



Recommendation	The company complies	Explanation: Why	Explanation: How
			The website www.columbusglobal.com is the primary source of information for interested parties. It is updated continuously with new information about Columbus' results, activities and strategy. At the Company's website, it is possible to sub-scribe to Columbus' e-mail service and thereby receive company announcements, financial statements and investor news via e-mail. Columbus hosts a conference call after publication of financial statements. The call and presentations can be followed directly via the Company's website.
1.1.2. The Committee recommends that the company adopts policies on the company's relationships with its shareholders, investors and if relevant other stakeholders in order to ensure that the various interests are included in the company's considerations and that such policies are made available on the company's website.	✓		Columbus has adopted an Investor Relations Policy in line with the recommendations on Corporate Governance. The policy is available on the website: www.columbusglobal.com
1.1.3. The Committee recommends that the company publish quarterly reports	✓		Columbus publishes quarterly reports. The quarterly reports are published as a company announcement and are available on the website: www.columbusglobal.com
1.2. The general meeting			
1.2.1. The Committee recommends that the board of directors organises the company's general meeting in a manner that allows shareholders, who are unable to attend the meeting in person or are represent-ed by proxy at the general meeting, to vote and raise questions to the management prior to or at the general meeting. The Committee recommends that the board of directors ensures that shareholders can observe the general meeting via webcast or other digital transmission.	✓		Shareholders who are unable to attend General Meetings in person or represented by proxy are allowed to vote and raise questions prior to the General Meeting. All relevant documents for the General Meeting are uploaded on our website prior to and after the General Meeting.
1.2.2. The Committee recommends that proxies and postal votes to be used at the general meeting enable the shareholders to consider each individual item on the agenda.	✓		Proxies and postal votes to be used at the General Meeting enables shareholders to consider each individual item on the agenda. All relevant documents for the General Meeting are uploaded on our website prior to and after the General Meeting.



Recommendation	The company complies	Explanation: Why	Explanation: How
1.3. Takeover bids			
1.3.1. The Committee recommends that the company has a procedure in place in the event of takeover bids, containing a "road map" covering matters for the board of directors to consider in the event of a takeover bid, or if the board of directors obtains reasonable grounds to suspect that a takeover bid may be submitted. In addition, it is recommended that it appears from the procedure that the board of directors abstains from countering any takeover bids by taking actions that seek to prevent the shareholders from deciding on the takeover bid, without the approval of the general meeting.		The Board of Directors has decided not to set up contingency procedures, as one shareholder, Consolidated Holdings A/S owned by the Chairman of the Board holds 63.17% of the voting rights (including shareholder voting agreements). Therefore, no decision regarding takeover bid can be made without this one shareholder.	If a third-party takeover bid is made public the Board of Directors will respond to this in accordance with legislation and the shareholders will be involved through the general meeting.
1.4. Corporate Social Responsibility			
1.4.1. The Committee recommends that the board of directors adopts a policy for the company's corporate social responsibility, including social responsibility and sustainability, and that the policy is available in the management commentary and/or on the company's website. The Committee recommends that the board of directors ensures compliance with the policy.			Columbus has adopted a Sustainability Policy, which includes social responsibility and sustainability and describes Columbus' expectations to employees and Business Relations. The policy was adopted by the Board of Directors in December 2024. Columbus' expectations to employees and Business Relations are further elaborated in Columbus' Code of Conduct for Employees and Code of Conduct for Business Relations, which were adopted by the Board of Directors in December 2024. The Sustainability Policy, Code of Conduct for Employees and Code of Conduct for Business Relations are reviewed and updated annually by the Board of Directors and are available on the website: www.columbusglobal.com
1.4.2. The Committee recommends that the board of directors adopts a tax policy to be made available on the company's website.			Columbus has adopted a Tax Policy to ensure compliance with laws and regulations. The policy applies to all companies in the Columbus Group, and aims to ensure that all taxes are paid according to local tax rules in all countries the Columbus companies operate in. The policy is approved by the Board of Directors and reviewed at least annually based on the Group's operations and regulatory changes. The policy is available on the website: www.columbusglobal.com.



Recommendation	The company complies	Explanation: Why	Explanation: How
2. The duties and responsibilities of the board of directors			
2.1. Overall tasks and responsibilities			
2.1.1. The Committee recommends that the board of directors in support of the company's statutory objects according to its articles of association and the long-term value creation considers the company's purpose and ensures and promotes a good culture and sound values in the company. The company should provide an account thereof in the management commentary and/or on the company's website.			Columbus' purpose "Digital Transformation for a Better Tomorrow" reflects the work we do for our customers: to bring digital transformation into our customers' business, help our customers maximize their value chain and position them to thrive far into the future. Columbus adopted new Shared Columbus Values in 2021: Stay curious, Build trust, Collaborate and Deliver Customer Success. These values were developed from within the business, through a number of initiatives. Over 850 employees were involved in the generation of the values to ensure that Our People are able to relate to and live the values. In 2022, Columbus adopted six Leadership Principles: Understand the bigger picture, Build for the future, Dare to advise, Make it easy for all to do a good job, Induce energy and Care for people. A number of leaders were involved in the process, and all leaders have participated in Leadership Principles workshops. The purpose of implementing shared Values and Leadership Principles is to promote a one Columbus culture and to ensure long-term value creation in the Company. Columbus' Purpose, Values and Leadership Principles are described on the website.
2.1.2. The Committee recommends that the board of directors at least once a year discusses and on a regular basis follows up on the company's overall strategic targets in order to ensure the value creation in the company.			Once a year, at a Board meeting, the Board of Directors and Executive Board review and discuss the strategy, including progress on strategic targets. In November 2023, the Company announced the three-year strategy "New Heights" (2024-2026).
2.1.3. The Committee recommends that the board of directors on a continuously basis takes steps to examine whether the company's share and capital structure supports the strategy and the long-term value creation in the interest of the company as well as the shareholders. The Committee recommends that the company gives an account thereof in the management commentary.			Once a year, at a Board meeting, the Board of Directors and Executive Board evaluates whether the Company's share capital and share structure is in accordance with the Company's and shareholders' interest and supports long-term value creation for Columbus. The overall objective is to ensure a capital and share structure which supports long-term financial growth and maximizes the return to shareholders. Account thereof is given in the Annual Report.
2.1.4. The Committee recommends that the board of directors prepares and on an annual basis reviews guidelines for the executive management, including requirements in respect of the reporting to the board of directors			The Board of Directors has adopted Rules of Procedure for the Executive Board, which describe the overall tasks and responsibilities of the Executive Board, reporting to the Board of Directors and authorities of the Executive Board.



Recommendation	The company complies	Explanation: Why	Explanation: How
2.2. Members of the board of directors			
2.2.1. The Committee recommends that the board of directors, in addition to a chairperson, appoints a vice chairperson, who can step in if the chairperson is absent and who can generally act as the chairperson's close sparring partner.			Immediately after the Annual General Meeting, the Board of Directors convenes and constitutes itself and elects a Deputy Chairman. The Chairman and the Deputy Chairman regularly discuss the work of the Board of Directors. The Board of Directors has elected Sven Madsen as Deputy Chairman.
2.2.2. The Committee recommends that the chairperson in cooperation with the individual members of the board of directors ensures that the members up-date and supplement their knowledge of relevant matters, and that the members' special knowledge and qualifications are applied in the best possible manner.			Once a year the Board of Directors conducts an evaluation of the Board's work. As part of this evaluation, the competences of the Board members are reviewed in order to ensure that the qualifications of the Board of Directors are appropriate in terms of professional experience and relevant special competences to perform the tasks of the Board of Directors in the best possible manner. If necessary, individual Board members will receive new or supplemental training to ensure that the Board has the necessary competencies to run Columbus. In 2024, two of the Board/Audit Committee members participated in a concentrated "Sustainability Masterclass" to gain knowledge and understanding of the basic requirements for the sustainability statement as outlined in the CSRD (Corporate Sustainability Reporting Directive). A description of executive functions and special competences of the individual Board members is included in the Annual Report and is available on the website: www.columbusglobal.com
2.2.3. The Committee recommends that if the board of directors, in exceptional cases, requests a member of the board of directors to take on special duties for the company, for instance, for a short period to take part in the daily management of the company, the board of directors should approve this in order to ensure that the board of directors maintains its independent overall management and control function. It is recommended that the company publishes any decision on allowing a member of the board of directors to take part in the daily management, including the expected duration thereof.			Columbus will follow this recommendation if it becomes relevant, which it has not yet been.



Recommendation	The company complies	Explanation: Why	Explanation: How
3. The composition, organization and evaluation of the board of directors			
3.1. Composition			
3.1.1. The Committee recommends that the board of directors on an annual basis reviews and in the management commentary and/or on the company's website states: • qualifications, • other managerial duties in commercial undertakings, including board committees, • demanding organisational assignments and • independence.			Once a year the Board of Directors conducts an evaluation of the Board's work. As part of this evaluation, the competences of the Board members are reviewed in order to ensure that the qualifications of the Board of Directors are appropriate in terms of professional experience and relevant special competences to perform the tasks of the Board of Directors in the best possible manner. A description of diversity, executive functions and special competences of the individual Board members is included in the Annual Report and is available on the website: www.columbusglobal.com
3.1.2. The Committee recommends that the board of directors on an annual basis discusses the company's activities in order to ensure relevant diversity at the different management levels of the company and adopts a diversity policy, which is included in the management commentary and/or available on the company's website.			Columbus has adopted a Diversity, Equity & Inclusion Policy, which is available on the website: www.columbusglobal.com. DE&I is also included in the management commentary. Cf. section 99b of the Danish Financial Statements Act, the Board of Directors has set target figures for the gender composition in the Board of Directors and on management level in Columbus A/S. Once a year, at a Board meeting, the Board of Directors review progress and, if relevant, sets new target figures. Progress and target figures are reported in the Annual Report. Age, gender, education and competences of the individual Board members are included in the Annual Report and is available on the website: www.columbusglobal.com
3.1.3. The committee recommends that candidates for the board of directors are recruited based on a thorough process approved by the board of directors. The Committee recommends that in assessing candidates for the board of directors – in addition to individual competencies and qualifications – the need for continuity, renewal and diversity is also considered.			When nominating Board existing members for election at the Annual General Meeting, the need for continuity is considered. When nominating new Board members, individual competencies, qualifications, need for renewal and diversity are considered as part of the total assessment of the competences of candidates.
3.1.4. The Committee recommends that the notice convening general meetings, where election of members to the board of directors is on the agenda - in addition to the statutory items - also includes a description of the proposed candidates'			When nominating Board members for election at the Annual General Meeting, a description of the individual candidates' background, qualifications, management experience and other managerial duties are described in the notice to convene the Annual General Meeting. The description will also include information on whether the candidate is considered independent.



Recommendation	The company complies	Explanation: Why	Explanation: How
qualifications, other managerial duties in commercial undertakings, including board committees, demanding organisational assignments and independence.			
3.1.5. The Committee recommends that members to the board of directors elected by the general meeting stand for election every year at the annual general meeting, and that the members are nominated and elected individually.			The members of the Board of Directors are elected at the Annual General Meeting for one year at the time with the possibility of re-election.

3.2. The board of director's independence

3.2.1. The Committee recommends that at least half of the members of the board of directors elected in general meeting are independent in order for the board of directors to be able to act independently avoiding conflicts of interests. In order to be independent, the member in question may not: • be or within the past five years have been a member of the executive management or an executive employee in the company, a subsidiary or a group company, • within the past five years have received large emoluments from the company/group, a subsidiary or a group company in another capacity than as member of the board of directors, • represent or be associated with a controlling shareholder, • within the past year have had a business relationship (e.g. personally or indirectly as a partner or an employee, shareholder, customer, supplier or member of a governing body in companies with similar relations) with the company, a subsidiary or a group company, which is significant for the company and/or the business relationship, • be or within the past three years have been employed with or a partner in the same company as the company's auditor elected in general meeting, • be a CEO in a company with cross-memberships in the company's management, • have been a member of the board of directors for more than twelve years, or • be closely related to persons, who are not independent, cf. the above-stated criteria.		Three of the five Board members elected at the Annual General Meeting are independent members. Peter Skov Hansen, Karina Kirk Ringsted and Per Ove Kogut are independent members. Sven Madsen is CFO in Consolidated Holdings A/S, which is the main shareholder of Columbus and is therefore not considered independent. Ib Kunøe is not considered independent as he is the main shareholder of the Company via Consolidated Holdings A/S.
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Recommendation	The company complies	Explanation: Why	Explanation: How
Even if a member of the board of directors does not fall within the above-stated criteria, the board of directors may for other reasons decide that the member in question is not independent.			
3.2.2. The Committee recommends that members of the executive management are not members of the board of directors and that members retiring from the executive management does not join the board of directors immediately thereafter.	✓		None of the members of the Executive Board are members of the Board of Directors.
3.3. Members of the board of directors and the number of other managerial duties			
3.3.1. The Committee recommends that the board of directors and each of the members on the board of directors, in connection with the annual evaluation, cf. recommendation 3.5.1., assesses how much time is required to perform the board duties. The aim is for the individual member of the board of directors not to take on more managerial duties than the board member in question is able to perform in a satisfactory manner.	✓		Once a year the Board of Directors conducts an evaluation of the Board's work. As part of this evaluation, the Board of Directors and each member assesses the extent of the members' individual workload in order to ensure that each Board member is able to perform in a satisfactory manner.
3.3.2. The Committee recommends that the management commentary, in addition to the statutory requirements, contains the following information on the individual members of the board of directors: • position, age and gender, • competencies and qualifications relevant to the company, • independence, • year of joining the board of directors, • year of expiry of the current election period, • participation in meetings of the board of directors and committee meetings, • managerial duties in other commercial undertakings, including board committees, and demanding organisational assignments, and • the number of shares, options, warrants, etc. that the member holds in the company and its group companies and any changes in such holdings during the financial year.	✓		The management commentary contains information in accordance with the recommendation.



Recommendation	The company complies	Explanation: Why	Explanation: How
3.4. Board committees			
3.4.1. The Committee recommends that the management describes in the management commentary: - the board committees' most significant activities and number of meetings in the past year, and - the members on the individual board committees, including the chairperson and the independence of the members of the committee in question. In addition, it is recommended that the board committees' terms of reference are published on the company's website.			Columbus has set up an Audit Committee. So far, the Company has not found it necessary to form further committees besides the Audit Committee under the Board of Directors. The management commentary contains information about activities and the number of meetings held in the Audit Committee. The management commentary also states names of members, chairman and independence of each member. The Terms of Reference for the Audit Committee are available on the website: www.columbusglobal.com.
3.4.2. The Committee recommends that board committees solely consist of members of the board of directors and that the majority of the members of the board committees are independent.			Columbus has set up an Audit Committee. So far, the Company has not found it necessary to form other board committees. The Audit Committee consists solely of members of the Board of Directors: Peter Skov Hansen (Chairman of Audit Committee) and Sven Madsen. Based on the limited number of Board members and considering the size and complexity of Columbus' business, the Board considers that an Audit Committee comprising two board members is appropriate. As the Audit Committee consists of an equal number of members (2), the assessment regarding compliance with the part of the recommendation relating to the majority of the members of a committee being independent is based on the fact that the independent member, Peter Skov, is the Chairman of the Audit Committee and holds the rights and responsibilities attached to this position, while Sven Madsen (not independent) is the second member of the Audit Committee.
3.4.3. The Committee recommends that the board of directors establishes an audit committee and appoints a chairperson of the audit committee, who is not the chairperson of the board of directors. The Committee recommends that the audit committee, in addition to its statutory duties, assists the board of directors in: - supervising the correctness of the published financial information, including accounting practices in significant areas, significant accounting estimates and related party transactions, - reviewing internal control and risk areas in order to ensure management of significant risks, including in relation to the announced financial outlook, - assessing the need for internal audit, - performing the evaluation of the auditor elected by the general meeting,			The duties of the Audit Committee are described in the "Terms of Reference" for the Audit Committee and include all the recommended duties. Due to the size of the Company, the Audit Committee considers it unnecessary to establish an internal audit function. The need for an internal audit function is considered continuously.

Recommendation	The company complies	Explanation: Why	Explanation: How
- reviewing the auditor fee for the auditor elected by the general meeting, - supervising the scope of the non-audit services performed by the auditor elected by the general meeting, and - ensuring regular interaction between the auditor elected by the general meeting and the board of directors, for instance, that the board of directors and the audit committee at least once a year meet with the auditor without the executive management being present. If the board of directors, based on a recommendation from the audit committee, decides to set up an internal audit function, the audit committee must: - prepare terms of reference and recommendations on the nomination, employment and dismissal of the head of the internal audit function and on the budget for the department, - ensure that the internal audit function has sufficient resources and competencies to perform its role, and - supervise the executive management's follow-up on the conclusions and recommendations of the internal audit function.			
3.4.4. The Committee recommends that the board of directors establishes a nomination committee to perform at least the following preparatory tasks: - describing the required qualifications for a given member of the board of directors and the executive management, the estimated time required for performing the duties of this member of the board of directors and the competencies, knowledge and experience that is or should be represented in the two management bodies, - on an annual basis evaluating the board of directors and the executive management's structure, size, composition and results and preparing recommendations for the board of directors for any changes, - in cooperation with the chairperson handling the annual evaluation of the board of directors and assessing the individual management members' competencies, knowledge, experience and succession as well as reporting on it to the board of directors, - handling the recruitment of new members to the board of directors and the executive management and nominating candidates for the board of directors' approval, - ensuring that a succession plan for the executive management is in place,		Columbus has so far not found it necessary to form further committees, besides the Audit Committee, under the Board of Directors.	In cases about nomination decisions are made by the entire Board of Directors.



Recommendation	The company complies	Explanation: Why	Explanation: How
• supervising executive managements' policy for the engagement of executive employees, and • supervising the preparation of a diversity policy for the board of directors' approval.			
3.4.5. The Committee recommends that the board of directors establishes a remuneration committee to perform at least the following preparatory tasks: • preparing a draft remuneration policy for the board of directors' approval prior to the presentation at the general meeting, • providing a proposal to the board of directors on the remuneration of the members of the executive management, • providing a proposal to the board of directors on the remuneration of the board of directors prior to the presentation at the general meeting, • ensuring that the management's actual remuneration complies with the company's remuneration policy and the evaluation of the individual member's performance, and • assisting in the preparation of the annual remuneration report for the board of directors' approval prior to the presentation for the general meeting's advisory vote.		Columbus has so far not found it necessary to form further committees, besides the Audit Committee, under the Board of Directors.	The preparatory tasks are performed by the Board of Directors

3.5. Evaluation of the performance of the board of directors and the executive board

3.5.1. The Committee recommends that the board of directors once a year evaluates the board of directors and at least every three years engages external assistance in the evaluation. The Committee recommends that the evaluation focuses on the recommendations on the board of directors' work, efficiency, composition and organisation, cf. recommendations 3.1.-3.4. above, and that the evaluation as a minimum always includes the following topics: • the composition of the board of directors with focus on competencies and diversity • the board of directors and the individual member's contribution and results, • the cooperation on the board of directors and between the board of directors and the executive management, • the chairperson's leadership of the board of directors, • the committee structure and the work in the committees,		The Company's main shareholder and Chairman of the Board has a long-standing experience with selection and recruitment of Executive and Board members. On this basis, the Company does not find external assistance with the evaluation process necessary.	Evaluation process is performed by the Chairman of the Board. The individual Board members and the Executive Board members anonymously complete an online survey. The survey covers assessment of the Board's and individual members' work, competencies, results, composition and committee structure, and an assessment of the Executive Board's work, including the areas operation, finance, strategy, organization and management. Also, the cooperation between the Board and the Executive Board is assessed.
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Recommendation	The company complies	Explanation: Why	Explanation: How
- the organisation of the work of the board of directors and the quality of the material provided to the board of directors, and - the board members' preparation for and active participation in the meetings of the board of directors.			
3.5.2. The Committee recommends that the entire board of directors discusses the result of the evaluation of the board of directors and that the procedure for the evaluation and the general conclusions of the evaluation are described in the management commentary, on the company's website and at the company's general meeting.			The Chairman of the Board is responsible for conducting an annual evaluation of the competencies of the Board of Directors, the cooperation between the Board of Directors and the Executive Board, and the performance and results of the Board of Directors and the Executive Board, including the areas operation, finance, strategy, organization and management. The individual Board and Executive Board members anonymously complete an online survey. The results of the evaluation are presented and discussed at the subsequent Board meeting. The conclusions of the evaluation are described in the management commentary, at the Annual General Meeting and on the website: www.columbusglobal.com
3.5.3. The Committee recommends that the board of directors at least once a year evaluates the work and results of the executive management according to pre-established criteria, and that the chairperson reviews the evaluation together with the executive management. In addition, the board of directors should on a continuous basis assess the need for changes in the structure and composition of the executive management, including in respect of diversity, succession planning and risks, in light of the company's strategy.			The annual evaluation covers an assessment of the Executive Board's work and results, and of the cooperation between the Board of Directors and the Executive Board. The Chairman reviews and presents the result of the evaluation at the subsequent Board meeting. Besides, the Chairman conducts an evaluation meeting with the CEO once a year. On a continuous basis, the Board of Directors assesses the need for changes in the structure and composition of the executive management, including in respect of diversity, succession planning and risks, considering the company's strategy.



Recommendation	The company complies	Explanation: Why	Explanation: How
4. Remuneration of management			
4.1. Remuneration of the board of directors and the executive management			
4.1.1. The Committee recommends that the remuneration for the board of directors and the executive management and the other terms of employment/service is considered competitive and consistent with the company's long-term shareholder interests.			The remuneration terms for the Board of Directors and the Executive Board are described in detail in the Remuneration Policy. The overall objective with Columbus' remuneration policy is to ensure: • that Columbus will constantly be able to attract, motivate and retain qualified members of the Board of Directors and the Executive Board. • aligned interests for the company's shareholders, Board of Directors, and the Executive Board. • promoting of the long-term interests and sustainability of Columbus and fulfilment of its business strategy short-term and long-term. The Remuneration Policy and the remuneration level is reviewed once a year to ensure that the terms remain competitive and consistent with the Company's long-term shareholder interests. The Remuneration Report is presented at the Annual General Meeting. The Remuneration Policy and the Remuneration Report are available at the website: www.columbusglobal.com.
4.1.2. The Committee recommends that share-based incentive schemes are revolving, i.e. that they are periodically granted, and that they primarily consist of long-term schemes with a vesting or maturity period of at least three years.		The maturity of the individual incentive programs is decided by the Board of Directors under the consideration that the incentive should be achievable within reasonable time, but also considering retention and loyalty as key parameters.	As a general rule, share-based incentive 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. Thus, the Company does not comply with the recommendation that long-term remuneration components must have a vesting or maturity period of at least three years.
4.1.3. The Committee recommends that the variable part of the remuneration has a cap at the time of grant, and that there is transparency in respect of the potential value at the time of exercise under pessimistic, expected and optimistic scenarios.			The share-based instruments have a cap. The carrying amount, based on black scholes, of the share-based instruments granted in a given financial year may be up to 50% of the fixed annual remuneration of the individual member of the Executive Management. When a share-based instrument is granted, guide-lines include various scenarios of potential value at the time of exercise.



Recommendation	The company complies	Explanation: Why	Explanation: How
			Ongoing bonus schemes for the Executive Board allow members to receive a bonus per financial year of up to 70% of the members' fixed annual remuneration. The guidelines for variable remuneration are de-scribed in the Remuneration Policy, which is available at the website: www.columbusglobal.com
4.1.4. The Committee recommends that the overall value of the remuneration for the notice period, including severance payment, in connection with a member of the executive management's departure, does not exceed two years' remuneration including all remuneration elements.	✓		The overall value of remuneration during the notice period, including severance pay, does not exceed two years of remuneration, including all components of the remuneration. Termination of employment is described in the Remuneration Policy, which is available at the website: www.columbusglobal.com
4.1.5. The Committee recommends that members of the board of directors are not remunerated with share options and warrants.	✓		The guidelines for incentive programs include the option to grant warrant programs for the Board of Directors. However, the Board of Directors has not been granted warrant programs since December 2017.
4.1.6. The Committee recommends that the company has the option to reclaim, in whole or in part, variable remuneration from the board of directors and the executive management if the remuneration granted, earned or paid was based on information, which subsequently proves to be incorrect, or if the recipient acted in bad faith in respect of other matters, which implied payment of a too large variable remuneration.	✓		Columbus has the right to reclaim variable remuneration if the remuneration paid proves to be incorrect.



Recommendation	The company complies	Explanation: Why	Explanation: How
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5. Risk management

5.1. Identification of risks and openness in respect of additional information

5.1.1. The Committee recommends that the board of directors based on the company's strategy and business model considers, for instance, the most significant strategic, business, accounting and liquidity risks. The company should in the management commentary give an account of these risks and the company's risk management.			Key risks are continuously considered and re-viewed by the Executive Board and presented to the Board of Directors once a year at a Board meeting, or more often if considered relevant. The Annual Report describes risk management, risk issues and mitigation.
5.1.2. The Committee recommends that the board of directors establishes a whistleblower scheme, giving the employees and other stakeholders the opportunity to report serious violations or suspicion thereof in an expedient and confidential manner, and that a procedure is in place for handling such whistleblower cases.			Columbus has established a whistleblower arrangement, which is available on the website and on the intranet. Once a year at a Board meeting, the Chairman of the Board reports on any reports given through the whistleblower arrangement during the past year. So far, no cases have been reported. The Whistleblower Policy is available on the website: www.columbusglobal.com.

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