MATAS GROUP

Corporate Governance Statement

2024/25

1 APRIL 2024 - 31 MARCH 2025

Matas A/S | Rørmosevej 1 | DK-3450 Allerød | Business reg. no. 27 52 84 06

Table of contents

03 Management structure

05 Statutory report on corporate governance, cf. section 107 b of the Danish Financial Statements Act.

About Report

This Corporate Governance Statement for Matas A/S ("Matas") includes a description of the Company's management structure, as well as a description of the main elements of the internal control and risk management systems in connection with the Company's financial and sustainability reporting. A separate review of how the Company considers the Danish Recommendations on Corporate Governance issued by the Committee on Corporate Governance in December 2020 is undertaken annually and can be found on Matas' website.

Read more in our Annual Report →

Read more in our Remuneration Report →

Management structure

Board of Directors
As is current practice in Denmark, the Company has a two-tier management structure where powers and responsibilities are distributed between the Board of Directors and the Executive Committee. No person serves as a member of both corporate bodies and the two bodies are independent. The Executive Committee handles the day-to-day management, while the Board of Directors supervises the work of the Executive Committee and is responsible for the overall management and strategic direction.

Currently, the Board of Directors consists of seven members and has elected a Chair and a Deputy Chair among its members. All seven members of the Board of Directors, including the Chair, are independent. The members of the Board of Directors comprise a group of professionally skilled business-people also representing diversity and international experience.

The members of the Board of Directors elected by the general meeting are elected for a term of one year. Re-election of board members may take place. The Board of Directors meets six to eight times a year and on an ad-hoc basis if necessary.

The Board of Directors evaluates its work on an annual basis and describes the procedures for such evaluation as well as the overall outcome thereof in the annual report. Furthermore, the Board of Directors annually evaluates the work and performance of the Executive Committee.

A list of the board members and their membership of board committees as per below can be found on Matas Group's website.

Board Committees
The Board of Directors has established an Audit Committee, a Remuneration Committee, and a Nomination Committee, each of which has a charter setting forth the purpose and responsibilities of such committees. The committees report to the Board of Directors. All members of the three board committees are independent board members.

Audit Committee
The Board of Directors has established an Audit Committee, which consists of three members of the Board of Directors.

The Audit Committee reviews accounting, audit and sustainability matters, which by decision of the Board of Directors or the Audit Committee are subject to a more thorough evaluation and assesses the internal controls and risk management systems of the Company.

The members, including the Chair of the Audit Committee, are appointed by and among the members of the Board of Directors. The Chair of the Board of Directors shall not be appointed Chair of the Audit Committee. Between them, the members of the Audit Commitee possess such expertise and experience as to provide an updated insight into and experience in the financial, accounting and audit aspects of companies with shares listed for trading on a regulated market. The members of the Audit Committee are appointed for one year at a time.

Meetings are held when deemed necessary by the Chair of the Audit Committee, subject to a minimum of five meetings a year.

Remuneration Committee
The Board of Directors has established a Remuneration Committee, which consist of three members of the Board of Directors.

The overall purpose of the Remuneration Committee is to ensure that the Company maintains a remuneration policy for the members of the Board of Directors and the Executive Committee. The remuneration policy and any

changes thereto are all approved by the Board of Directors as well as the general meeting. Further, the Remuneration Committee evaluates and makes recommendations for the remuneration of the members of the Board of Directors and the Executive Committee and assists in the preparation of the remuneration report of the Company which is hereafter approved by the Board of Directors and presented to the general meeting for information. The contents of any incentive programmes will be described in the remuneration report, which is included in the annual report in accordance with applicable rules and regulations.

The committee members are appointed by and among the members of the Board of Directors, and the Chair of the Board of Directors is Chair of the Remuneration Committee. The members of the Remuneration Committee are appointed for one year at a time.

Meetings are held when deemed necessary by the Chair of the Remuneration Committee, subject to a minimum of two meetings a year.

Nomination Committee

The Board of Directors has established a Nomination Committee, which consists of three members of the Board of Directors.

The overall purpose of the Nomination Committee is to assist the Board of Directors with ensuring that appropriate plans and processes are in place for nomination of candidates to the Board of Directors and the Executive Committee. Further, the Nomination Committee evaluates the composition of the Board of Directors and the Executive Committee, including making recommendations for nomination or appointment of members of the Board of Directors, the Executive Committee and the committees established by the Board of Directors. The Nomination Committee also ensures that proper work is done with succession, talent mapping and diversity in relation to the Company's top management functions.

The committee members are appointed by and among the members of the Board of Directors, and the Chair of the Board of Directors is Chair of the Nomination Committee. The members of the Nomination Committee are appointed for one year at a time.

Meetings are held when deemed necessary by the Chair of the Nomination Committee, subject to a minimum of two meetings a year.

Board evaluation

The Chair of the Board of Directors is responsible for conducting an annual review of the Board of Directors' performance and achievements, including the competencies of each board member as well as of the Chair.

Executive Committee

The Board of Directors appoints an Executive Committee responsible for the day-to-day management and compliance with the guidelines and recommendations issued by the Board of Directors. The Executive Committee's responsibilities include organisation of the Company as well as allocation of resources, determination and implementation of strategies and policies and ensuring timely reporting and provision of information to the Board of Directors. The Executive Committee also presents and recommends proposals on the overall strategy and objectives to the Board of Directors. The Executive Committee consists of two members and is chaired by the Group Chief Executive Officer. The Executive Committee meets at least once a week and often more frequently.

Risk management

The Board of Directors regularly assesses the overall and specific risks associated with Matas Group's business and operations as well as the risks associated with the financial and sustainability reporting and seeks to ensure that such risks are managed in a proactive and efficient manner. As part of general risk management, the Company has established various internal control systems, which are reviewed regularly by the Board of Directors to ensure that such systems are appropriate and sufficient in the context of current business and operations. The annual report will contain information about the management of operational risks.

Recommendations for corporate governance in Denmark

Matas is subject to the Recommendations on Corporate Governance issued in December 2020, which are available on the Committee on Corporate Governance's website www.corporategovernance.dk. As a company listed on the stock exchange in Denmark, Matas is required to report on its compliance with these recommendations according to the "comply or explain" principle. Matas' position on the individual recommendations is described in a separate review, which is updated at least annually and can be found on Matas' website. Matas complies with all recommendations.

Statutory report on corporate governance, cf. section 107 b of the Danish Financial Statements Act.

This report constitutes a part of the Management's Review on the Annual Report concerning the financial year: 1 April 2024 – 31 March 2025 for Matas A/S.

The Company is subject to the Recommendations on Corporate Governance, which are available at the website of the Committee on Corporate Governance, www.corporategovernance.dk

YES
NO

Recommendation	The company complies	The company explains why	The company explains * 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.	■		
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.	■		
1.1.3. The Committee recommends that the company publishes quarterly reports.	■		

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Recommendation	The company complies	The company explains why	The company explains * how
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 represented 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.	■		
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.	■		
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.	■		
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.	■		
1.4.2. The Committee recommends that the board of directors adopts a tax policy to be made available on the company's website.	■		

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Recommendation	The company complies	The company explains why	The company explains * 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.	■		
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.	■		
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.	■		
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.	■		
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.	■		

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Recommendation	The company complies	The company explains why	The company explains * how
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.	■		
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.	■		

3. The composition, organisation 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 • which qualifications the board of directors should possess, collectively and individually, in order to perform its duties in the best possible manner, and • the composition of and diversity on the board of directors.	■		
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.	■		
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.	■		

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Recommendation	The company complies	The company explains why	The company explains * how
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' • 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.	■		
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. 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.	■		

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Recommendation	The company complies	The company explains why	The company explains * how
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.	■		

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.	■		
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.	■		

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Recommendation	The company complies	The company explains why	The company explains * 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.			
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.			

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Recommendation	The company complies	The company explains why	The company explains * how
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, • 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.			

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Recommendation	The company complies	The company explains why	The company explains * how
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, • 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.			

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Recommendation	The company complies	The company explains why	The company explains * how
3.5. Evaluation of the board of directors and the executive management			
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 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.	■		
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.	■		

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Recommendation	The company complies	The company explains why	The company explains * 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.	■		
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.	■		
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.	■		
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.	■		
4.1.5. The Committee recommends that members of the board of directors are not remunerated with share options and warrants.	■		
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.	■		

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Recommendation	The company complies	The company explains why	The company explains * how
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.	■		
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.	■		

5. Risk management

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

Approved by the Board of Directors of Matas A/S on 23 May 2025.

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