

## **Remuneration policy for 5th Planet Games A/S**

**Approved on the General Meeting 26th April 2022**

### **REMUNERATION POLICY FOR THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT OF 5TH PLANET GAMES A/S**

#### **1. Introduction**

1.1 This policy has been prepared in accordance with the principles of sections 139 and 139a of the Danish Companies Act and provides the framework for the remuneration of the Board of Directors and the Executive Management of 5TH PLANET GAMES A/S (the "Company").

1.2 The Executive Management means executives registered with the Danish Business Authority as members of the Executive Management.

1.3 The guidelines have been considered and approved at the Company's general meeting on 26<sup>th</sup> April 2022.

1.4 The purpose of the remuneration policy is to ensure that the Company's executive board has a common interest with its shareholders and to attract and retain expertise at the Board of Directors and at the Executive Management level. Furthermore, the remuneration policy shall ensure that the remuneration of the Executive Management is in line with the remuneration paid to Executive Management members in similar companies. The remuneration shall support the long-term interests and sustainability of the Company.

#### **2. Remuneration to the Board of Directors**

2.1 All members of the Board of Directors receive a fixed annual cash remuneration.

2.2 The Chairman can receive an extra fee of up to 100% of the base fee.

2.3 In case the Board of Directors decides to establish one or more board committees, the board members with a seat in a board committee will be entitled to receive an extra fee for work conducted in relation hereto. Depending on the workload of the individual board committee, the chairman of a board committee will be entitled to receive an extra fee of up to 100% of the board member's annual base fee. Members of a board committee will be entitled to receive an extra fee of up to 50% of the board member's annual base fee.

2.4 In order to ensure alignment of interests between the Board of Directors and the Company's shareholders, and to ensure that the Company's short and long-term goals are met, members of the Board of Directors may, in addition to the annual base fee, receive a share-based remuneration in the form of warrants in the Company.

2.5 Granted warrants provides a right, but not an obligation, to subscribe for shares in the Company at an exercise price per share not less than the market price, equivalent to the average of the share price for the ten trading days prior to the date of the grant.

2.6 The remuneration of the Board of Directors are approved at the general meeting.

2.7 The members of the Board of Directors are elected for a year at a time at the annual general meeting.

### **3. Remuneration to the Executive Management**

3.1 The remuneration of the executive Management is determined by the board of directors in line with remuneration policy approved at the annual general meeting.

3.2 For the purpose of ensuring a balanced remuneration reflecting the Company's current stage of development and position, whilst at the same time ensuring an adequate competitive remuneration to retain members of the Executive Management, the total remuneration of the Executive Management consists of: (i) a fixed base salary, (ii) a potential cash bonus, (iii) a potential share-based remuneration in the form of warrants and (iv) other usual benefits.

3.3 In special circumstances the Board of Directors can decide to allocate extraordinary remuneration – such as retention bonus, compensation for relocation or severance pay – if deemed to promote the long-term interests of the Company.

#### **3.4 Fixed salary**

3.4.1 The base salary will be agreed annually between the Executive Management and the Board of Directors.

3.4.2 Work-related benefits such as internet and mobile phones are made available to the Executive Management.

#### **3.5 Variable remuneration**

3.5.1 The remuneration of the Executive Management is determined in order to ensure alignment of interests between the executive board and the Company's shareholders, and to ensure that the Company's short and long-term goals are met. The variable remuneration may comprise all types of variable remuneration, including shares, share options, warrants and phantom shares, as well as non-share-based bonus agreements – both ongoing and one-off/event-based.

3.5.2 Variable remuneration will be offered to the Executive Management if the Board of Directors consider it expedient in order to encourage common goals for the executive board and the shareholders and promote the Company's business strategy. In addition, the Executive Management's historic and expected performance, motivation and retention and the general development of the Company can be taken into consideration.

### 3.6 Short-term cash bonus

3.6.1 The cash bonus will be granted annually or semi-annually and is contingent on the achievement of set financial and non-financial targets for the Company and/or personal objectives of the individual member of the Executive Management. The financial targets can be linked to revenue, EBITDA margin, annual result, cash flow, share price or similar. The non-financial objectives can be linked to customer satisfaction, employee satisfaction, compliance, strategic milestones or similar.

3.6.2 Upon expiration of a bonus period the Board of Directors will evaluate the achievement of the financial- and non- financial targets based on the Company's audited accounts and relevant internal measures.

3.6.3 The amount of the bonus depends on the degree to which the set targets and/or objectives are achieved.

3.6.4 The Board of Directors may, at its own discretion, decide to grant the individual member of the Executive Management full discretionary bonus to reward exceptional achievements or events.

### 3.7 Long-term share-based remuneration

3.7.1 The Company's long-term variable remuneration is share based remuneration comprised by the following:

3.7.2 Warrants: a right, but not an obligation to subscribe for shares in the Company at an exercise price per share not less than the market price, equivalent to the average of the share price for the ten trading days prior to the date of the grant. Members of the Executive Management may be granted warrants to subscribe for shares of the Company.

3.8 The remuneration principles that applies to the Executive Management also applies to the employees at the Company. In connection with the preparation of this remuneration policy the Board of Directors have taken the salaries and terms of employment of the employees into consideration. The Board of Directors seek to maintain a balance of the level of remuneration between the Executive Management and the employees by taking into consideration the remuneration in comparable companies and the responsibilities and tasks of the Executive Management compared to the other employees of the Company.

#### **4. Claw back**

4.1 At the moment the Company is not entitled to claw back variable remuneration. For future agreements on variable remuneration, the Board of Directors can stipulate that it reserved the right to claw back any variable remuneration if the variable remuneration is based on incorrect information, calculation errors or gross misconduct on the part of a member of the Board of Directors or an Executive Management member. Similar, it can be stipulated that non-vested or non-exercised warrants will lapse.

#### **5. Deviations from the remuneration policy**

5.1 In extraordinary circumstances the Board of Directors may on a discretionary basis decide to award extraordinary remuneration – for example retention bonus, payment of relocation costs or severance payment – if deemed to promote the long-term interests of the Company. The extraordinary remuneration can be cash based or share based remuneration. A decision to award extraordinary remuneration does not constitute a deviation from the remuneration policy.

5.2 Additionally, in special circumstances the Board of Directors can – if deemed necessary in order to ensure long-term interests of the Company – make temporary deviations from the remuneration policy.

5.3 Deviations shall be discussed and approved by the Board of Directors.

5.4 The remuneration report shall include a description of any deviations that have been effectuated during the past financial year along with an explanation of the reasons behind such deviations.

#### **6. Procedure for adoption and conflicts of interest**

6.1 This remuneration policy is prepared and approved by the Company's Board of Directors. The policy must be reviewed continually, but every fourth year as a minimum.

6.2 The remuneration policy shall be approved at the Company's general meeting every fourth year as a minimum. Any material changes in the remuneration policy must be approved at the general meeting.

6.3 According to the Board of Directors no conflict of interests exists as the remuneration policy and all material changes must be approved by the general meeting. Remuneration to the members of the Board of Directors is approved annually at the general meeting. The Board of Directors determines and approves the remuneration to members of the Executive Management within the framework of the remuneration policy.

## **7. Approval and publication**

7.1 On 26<sup>th</sup> April 2022 the remuneration policy was approved at the Company's general meeting with the required majority. As no shareholder has requested a complete statement, no complete statement of the casted voted has been made.

7.2 Upon approval by the general meeting the remuneration policy will be available at the Company's website: <https://www.5thplanetgames.com/>