

Remuneration Policy

1. Introduction

According to sections 139 and 139a of the Danish Companies Act, the Board of Directors of Ambu A/S (“Ambu”) must prepare a remuneration policy applicable to members of the Board of Directors and the Executive Management of Ambu (the “Remuneration Policy”). The Remuneration Policy applies to the members of the Executive Management, who are registered as such with the Danish Business Authority. The Remuneration Policy is subject to approval at Ambu’s general meeting at least every fourth year.

This purpose of the Remuneration Policy is to provide a framework for remuneration of the Board of Directors and Executive Management of Ambu. The Remuneration Policy shall enable Ambu’s shareholders to effectively assess the remuneration of the Board of Directors and the Executive Management by describing the various types of remuneration in a clear, understandable, and comprehensive manner. The principles described in the Remuneration Policy regarding short-term incentives (“STI”) and long-term incentives (“LTI”) are generally applicable for all STI and LTI participants in Ambu.

1.1 Objective

The overall objectives of the Remuneration Policy are to:

- Govern the remuneration of the Board of Directors and Executive Management;
- Attract, motivate and retain qualified members of the Board of Directors and the Executive Management;
- Ensure that the Executive Management’s interest is aligned with the interest of Ambu and the shareholders; and
- Support Ambu’s business strategy by promoting value-creation through remuneration of the members of the Board of Directors and the Executive Management.

1.2 General principles

The members of the Board of Directors are paid a fixed annual remuneration as further described in section 4.

The remuneration of the members of the Executive Management consists of the following components, which are further described in section 5:

Remuneration components for the Executive Management

1 Fixed base salary

2 STI

3 LTI

4 Pension contributions and other customary employee benefits, subject to local market practice and individual circumstances. These benefits may include relocation-related benefits like housing allowance, tax return filing assistance, school fee allowance or similar).

The purpose with the fixed remuneration components is to ensure Ambu maintains the ability to attract and retain qualified members to the Board of Directors and Executive Management on competitive terms.

The variable remuneration components (STI and LTI) are to ensure that the interests of the Executive Management and the shareholders’ interest are aligned to ensure value-creation in accordance with Ambu’s strategy. The variable remuneration components shall be based on one or several financial and/or non-financial key performance indicators (“KPIs”), which must be

achieved, fully or in part, before any variable remuneration can be allocated. The criteria that apply for the KPIs are determined taking into account Ambu's strategy, sustainability, long-term goals, and value creation and consist of specific criteria as further described in sections 6 and 7.

As part of its review of the Remuneration Policy, the Remuneration Committee has compared the Executive Management's remuneration with the salary and employment terms of Ambu's other employees. The comparison shows that the Ambu's Remuneration Policy is market standard while benchmarking against similar European life science companies and Danish listed companies.

2. Possibility for employee share purchase plan

To align the remuneration structure of the Executive Management and the employees of Ambu, and to attract, motivate, and retain employees in all business areas and on all organizational layers, Ambu has decided to implement a general employee share purchase program. The share purchase programme allows, if permitted by Ambu's financial position, employees to acquire shares on favorable terms. The members of the Executive Management are, subject to a decision by the Board of Directors, entitled to participate in the share purchase program on the same terms as other employees in Ambu.

3. Decision-making process and conflicts of interest

It is the Remuneration Committee's responsibility to review the Remuneration Policy. If the Remuneration Committee deems it necessary, based on a careful review of general market practice for similar European life science companies and other Danish listed companies, as well as the need to retain, engage, and motivate members of the Board of Directors and Executive Management, the Remuneration Committee shall prepare a proposal for the Board of Directors in accordance with the Board of Directors' rules of procedure. If the Board of Directors adopts the Remuneration Committee's proposal to revise the Remuneration Policy, the Remuneration Policy is submitted for the shareholders' approval at Ambu's general meeting.

Ambu's Executive Management shall be consulted when the Remuneration Committee considers reviewing the Remuneration Policy. However, the Executive Management shall not influence the review and/or determination of the proposal.

The Remuneration Committee engages independent advisors when it deems this relevant to support the committee's work.

In the Board of Director's opinion, there is no risk of conflicts of interest in connection with the Board of Directors' work on the Remuneration Policy, as the remuneration for members of the Board of Directors is approved at Ambu's annual general meeting.

Any amendment of the Remuneration Policy is to be approved by Ambu's shareholders at the general meeting. However, under certain conditions, as described in section 11, the Board of Directors is entitled to deviate from and/or amend terms of the Remuneration Policy.

4. Board of Directors

4.1 Fee structure

Members of the Board of Directors receive a fixed annual fee, but do not receive any variable remuneration and are not part of any share-based incentive plans.

Members of certain key committees (e.g., Audit Committee and Remuneration Committee) receive a supplementary fixed annual fee for serving on these committees which is aligned to the additional duties which membership of the committees entails. The basic fees and the supplementary fees for serving on the committees for the coming financial year are presented for approval at Ambu's general meeting.

Members of the Board of Directors may have special ad-hoc duties assigned to them for which the respective member of the Board of Directors may receive a supplementary fixed fee. Such supplementary fees shall be capped to a maximum of one time the base fee, and must be mentioned in the Remuneration Report.

4.2 Costs etc.

All costs incidental to attending board meetings abroad are reimbursed by Ambu. Furthermore, Ambu may grant Board members a fixed travel allowance and compensation in connection with travel to board and committee related meetings outside their country of residence.

If relevant under specific circumstances, Ambu pays social security and similar taxes imposed by foreign authorities in relation to the Board members' fees.

4.3 Election and resignation

The members of the Board of Directors are elected for a one-year term at Ambu's annual general meeting.

If a member of the Board of Directors resigns prior to the annual general meeting, the fixed annual fee is paid out proportionally to the period served. No member of the Board of Directors is entitled to any further compensation when resigning from the Board of Directors.

5. Executive Management

The remuneration for the Executive Management is determined by the Board of Directors based on a review of: (i) remuneration in similar European life science companies, (ii) similar Danish listed companies, (iii) Ambu's financial position, and (iv) the competences and results of the respective member of the Executive Management.

As described in section 1, the remuneration package consists of a fixed base salary, and participation in both the short-term incentive plan (STI) and the long-term incentive plan (LTI), as well as benefits covering pension contributions, company car or allowance, and usual fringe benefits.

Furthermore, the Board of Directors may, in certain cases and upon recommendation by the Remuneration Committee, award extraordinary remuneration such as a sign-on bonus, retention bonus, severance payment and/or compensation for relocation to a member of the Executive Management if this supports Ambu's long-term interests and the interests of Ambu's shareholders. Such extraordinary remuneration cannot exceed 25% of the annual remuneration of the receiving member of the Executive Management.

The relative share of the remuneration package components depends on whether the KPIs for the variable remuneration for the Executive Management are fully or partly achieved.

The balance between fixed and variable remuneration components and the composition of the variable components are intended to result in a material part of the salary being linked to Ambu's and the respective member of the Executive Management's performance, as well as the long-term interests of Ambu and its sustainability, while contributing to reasonable and long-term business decisions.

5.1 Termination and severance payment for the Executive Management

The service agreements applicable to members of the Executive Management's must to all intents and purposes be indefinite and contain a mutual right of termination.

The notices of termination to be given by Ambu to members of the Executive Management cannot exceed 18 months, and the notice of termination to be given by the members of the Executive Management to Ambu cannot normally exceed nine months. Moreover, any severance payment to members of the Executive Management, for example in the event of a change of control, is subject to a maximum value corresponding to two years' fixed base salary.

A member of the Executive Management's total remuneration for the notice period, including severance pay, cannot exceed a value corresponding to the total remuneration for the past two years.

5.2 Non-performance-related components

The fixed base salary is subject to a benchmark review once a year against market data for similar European life science and

Danish listed companies. Based on the outcome of the review and given the skills and performance of the respective member of the Executive Management, the Remuneration Committee determines whether to recommend an adjustment.

Apart from the base salary, members of the Executive Management receive approximately 10% of their annual base salary in pension contributions. Supplementary pension plans or early retirement plans are not part of the Executive Management's remuneration package.

Furthermore, members of the Executive Management receive market-aligned non-cash benefits such as a company car or allowance, life-insurance coverage, and usual fringe benefits.

Supplementary to the fixed base salary, Ambu may compensate a member of the Executive Management from any increase of income taxation on investment return and/or other taxes prompted by a member of the Executive Management's relocation to Denmark.

6. Short-term incentive

The purpose of the short-term cash-based incentive plan is to provide the Executive Management with an annual variable remuneration that is dependent on performance against specific annual objectives, which reflects Ambu's financial outlook for the coming financial year.

STI is allocated on an annual basis, but the allocation is conditional on the achievement of three to five predetermined KPIs linked to Ambu's immediate strategic priorities, e.g., revenue growth and/or the realization of a predetermined performance criterion related to personal performance. The KPIs which form the basis of the variable remuneration for the Executive Management must be linked to Ambu's business strategy. KPI levels and assessment are further described in the relevant table in section 8.

The payout under the STI depends on the degree of achievement of the set KPIs. For each member of the Executive Management, the annual STI payout is between 45-50% of the fixed base salary if target performance is met, and up to 90-100% of the fixed base salary if maximum level performance is reached. The payout under the annual STI is 0% if performance is below threshold performance level.

7. Long-term incentive

The purpose of the long-term share-based incentive plan (LTI) is to align the interests of the Executive Management with those of the shareholders, and to reward the Executive Management for dedicated and focused achievements of long-term objectives, such as delivering on the long-term business strategy and creating sustainable value for the shareholders.

The LTI supports the alignment with shareholder interests by linking directly to the share price performance of Ambu. The current Long-term incentive plan ("LTIP") is based on performance share units ("PSUs"). The PSUs are under normal circumstances granted on an annual basis and free of charge. The value at grant will on-target level corresponds to between 40-50% of the annual base salary.

The LTI further supports the strategic agenda of Ambu by being dependent of up to two KPIs that link directly to key strategic priorities assessed to be reasonable by the Board of Directors, with at least one being a financial target (e.g., revenue growth). It is a condition for the final vesting of any PSUs that a certain predetermined performance on the KPI(s) is achieved. The Board of Directors can decide to include another metric(s) in addition to a financial target if this is assessed to be in the long-term interest of Ambu.

The PSUs will vest after a 3-year period, conditional upon the continued employment of the specific member of the Executive Management and a minimum threshold performance of the KPI(s) being achieved. Good leavers will be allowed to keep any unvested PSUs, while for bad leavers these will automatically lapse.

The number of PSUs allocated may be adjusted in the event of certain capital transactions etc. and of large dividend payments. Also, the PSUs may vest early, for instance in the event of a change of ownership.

Ambu can decide to contractually settle the PSUs by transfer of physical Ambu shares or by the cash equivalent based on the performance of a synthetic Ambu share.

To ensure proper enrollment of a new member of the Executive Management, the Board of Directors has discretion to deviate

and/or amend the terms of the LTI to the effect that such deviation and/or amendment is necessary to ensure that the new member becomes part of the LTI on equal terms and conditions as the other members of the Executive Management.

8. KPI levels and assessment of performance

To calculate the result for each KPI used for the STI and LTI plans, three levels have been defined:

KPI level	Impact on variable remuneration
Threshold	Below this level, there is no earning or vesting of variable remuneration.
On-target	On-target reflects the expected and satisfactory result and triggers variable remuneration.
Maximum	Maximum reflects an ambitious but possible level which triggers the maximum variable remuneration

Determination of cash bonus payouts and vesting of PSUs is based proportionally on the achievement of the KPI(s).

The earning or vesting of STI or LTI is reduced or will lapse in its entirety, if the KPI(s) is only partially achieved or below threshold respectively. If maximum performance is achieved, up to 2 times the on-target level is earned (or for the LTI vests) for the Executive Management. Additionally, the pay-out (i.e., the PSUs' value as at vesting) for a single grant of PSUs within the same financial year is capped at an absolute value equivalent to no more than 4 times the annual base salary at the time of grant.

The financial KPIs for the variable remuneration for the Executive Management are aligned with Ambu's financial key figures. The financial KPIs are therefore measured continuously and meticulously as part of Ambu's reporting to the market, and in connection with the presentation of the annual report. To enhance transparency, the measurability of the financial KPIs are verified by Ambu's auditor as part of the auditing of the annual report.

To measure the fulfilment of non-financial KPIs, the Board of Directors assesses the individual member of the Executive Management's performance against pre-determined non-financial KPIs based on relevant data sources, including, but not limited to, e.g., internal reports, generally accepted methods of calculation or measurement, third-party information, and alike.

In connection with acquisitions during a financial year, the Board of Directors evaluates on a case-by-case basis specifically how such acquisition can be incorporated in the best possible way into existing agreements on variable remuneration, including the possible correction of the KPI(s). The acquired enterprise will normally be incorporated in the KPI(s) in the year following the acquisition.

9. Clawback

In special cases, clawback of the variable remuneration for the Executive Management may be carried out, fully or in part, including in the event of the variable remuneration having been granted, earned or paid out based on information which subsequently turns out to be incorrect or misstated, or if the recipient acted in bad faith in respect of matters implying that undue variable remuneration have been granted, earned or paid out.

10. D&O liability insurance and indemnification

In order to being able to attract and retain qualified members of the Board of Directors and the Executive Management, Ambu takes out D&O liability insurance for all members of the Board of Directors and the Executive Management based on advice from one or more independent insurance brokers.

On 13 December 2023, the general meeting adopted an indemnification scheme for members of the Board of Directors (the "Scheme"). On the terms and conditions of the Scheme, Ambu shall indemnify and hold harmless a member of the Board of Directors, to the fullest extent permitted by applicable law, from and against any losses incurred by such member of the Board of Directors arising out of any actual or potential claims, including any costs, expenses and potential tax liabilities associated therewith, raised by any third party (other than Ambu group companies) against a member of the Board of Directors based on such board member's discharge of his/her duties as member of the Board of Directors. Excluded from indemnification under the

Scheme are any losses relating to liability incurred by a Board Member arising out of such Board Member's fraud, criminal offences, wilful misconduct or, to the extent not indemnifiable under Danish law, gross negligence. For the purpose of establishing an indemnification scheme for the Executive Board, the Board of Directors stipulates the terms and conditions applicable to such indemnification scheme.

11. Deviations from the Remuneration Policy

The Board of Directors may, under certain circumstances and based on valid criteria, that are objective and verifiable, agree to temporarily derogate from this Remuneration Policy, when it is deemed in the long-term interest of Ambu, its shareholders, or the sustainability of Ambu.

To ensure that the Board of Directors has the appropriate flexibility to make sure that the application of the LTIP is in the long-term interests of Ambu, its shareholders, and the sustainability of Ambu, the Board of Directors has in cases of unforeseen circumstances a discretionary right under the terms of the LTIP to amend its terms.

This discretion includes, but is not limited to, (1) the size of the grants (2) the timing of the granting of the PSU's, (3) the determination of vesting conditions, including adjustment of performance metrics may they be financial or non-financial, (4) preliminary vesting of the PSU's, and (5) the treatment of the PSU's in the case of resignations, change of control, a merger, rights issue, or other such unforeseeable events.

Any such deviations will be further explained in the Remuneration Report for the relevant year.

12. Approval and publication

The Remuneration Policy is available on the Ambu website www.ambu.com for as long as it is applicable.

12.1 Summary of amendments to the Remuneration Policy

Since the general meeting's approval of the Remuneration Policy on 14 December 2021, the following significant amendments have been made to the Remuneration Policy:

- **Indemnification scheme:** Ambu has updated its indemnification scheme for members of the Board of Directors for the purpose of enhancing the level of transparency in respect of the material terms and conditions applicable to the indemnification scheme. Subject to the terms and conditions of the scheme (as adopted by the general meeting on 13 December 2023), Ambu shall indemnify and hold harmless a member of the Board of Directors, to the fullest extent permitted by applicable law, from and against any losses incurred by such member of the Board of Directors arising out of any actual or potential claims, including any costs, expenses and potential tax liabilities associated therewith, raised by any third party (other than Ambu group companies) against a member of the Board of Directors based on such board member's discharge of his/her duties as member of the Board of Directors. For the purpose of establishing an indemnification scheme for the Executive Board, the Board of Directors stipulates the terms and conditions applicable to such indemnification scheme.

The general meetings' voting and views on the Remuneration Policy and the Remuneration Reports have, to the extent applicable, generally been taken into account since the general meeting's approval of the Remuneration Policy on the annual general meeting on 14 December 2021.

The Remuneration Policy was discussed and approved at Ambu's annual general meeting on 13 December 2023.

Chairman of the meeting

Niels Kornerup