

**Release no. 3 – 2016**  
**To Nasdaq Copenhagen**

Page 1/4

10 March 2016

**NOTICE CONVENING THE ANNUAL GENERAL MEETING  
OF ROCKWOOL INTERNATIONAL A/S**

The annual general meeting of shareholders is hereby convened to take place on

**Wednesday, 6 April 2016 at 3:00 p.m.**

at Roskilde Kongrescenter, Møllehusvej 15, DK-4000 Roskilde, Denmark.

Registration for the general meeting must take place no later than Friday, 1 April 2016 either electronically via the shareholder portal on [www.rockwool.com/shareholder](http://www.rockwool.com/shareholder) or by returning the completed registration form to Computershare A/S.

During the annual general meeting coffee and cake will be served.

The general meeting will be transmitted in full directly via webcast in Danish and English. The webcast and further information is available at the company's website, [www.rockwool.com/agm](http://www.rockwool.com/agm). The webcast will only include the platform and rostrum.

The agenda for the annual general meeting is as follows:

1. The board of directors' report on the company's activities during the past financial year.
2. Presentation of annual report with auditors' report.
3. Adoption of the annual report for the past financial year and discharge of liability for the management and the board of directors.
4. Approval of the remuneration of the board of directors for 2016/2017.
5. Allocation of profits according to the adopted accounts.

The board of directors proposes a distribution of dividends for the financial year 2015 of DKK 11.50 per share of a nominal value of DKK 10. The dividend is to be distributed on 11 April 2016 after approval by the general meeting.

6. Election of members to the board of directors.

According to the Articles of Association all members of the board of directors elected at the general meeting resign each year. Members of the board of directors are elected for the period until the next annual general meeting.

Board member, Heinz-Jürgen Bertram, has informed the board of directors that he will not seek re-election to the board at the annual general meeting.

The board of directors nominates the following board members for re-election: Carsten Bjerg, Lars Frederiksen, Bjørn Høi Jensen, Søren Kähler, and Thomas Kähler.

The board of directors proposes that Andreas Ronken is elected as a new member of the board of directors.

**Release no. 3 – 2016**  
**To Nasdaq Copenhagen**

Page 2/4

A description of the background of and the offices held by each candidate proposed for election by the board of directors, including the board of directors' reasons for the nomination, are enclosed in schedule 1 and are available at the company's website, [www.rockwool.com/agm](http://www.rockwool.com/agm).

Subject to election of the above candidates, the board of directors expects to appoint Bjørn Høi Jensen as Chairman and Carsten Bjerg and Søren Kähler as first and second Deputy Chairman, respectively.

7. Appointment of auditors.

The board of directors proposes re-election of PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab as auditor of the company.

8. Proposals from the board of directors or shareholders.

Proposals from the board of directors:

8a. Authorisation to acquire own shares.

The board of directors proposes that the general meeting authorises the board of directors to allow the company to acquire own shares during the period until the next annual general meeting, i.e. class A shares as well as class B shares, of a total nominal value of up to 10% of the company's share capital, provided that the price of the shares at the time of purchase does not deviate by more than 10% from the most recent listed price.

8b. Approval of new remuneration policy for the board of directors, group management and senior executives and new guidelines for incentive-based remuneration of group management.

The board of directors proposes that the general meeting approves the new remuneration policy for the board of directors, group management and senior executives and the new guidelines for incentive-based remuneration of group management as adopted by the board of directors.

The proposed new remuneration policy and new guidelines for incentive-based remuneration are enclosed as schedule 2 and 3 and are available at the company's website, [www.rockwool.com/agm](http://www.rockwool.com/agm).

9. Any other business.

Share capital, voting right and adoption requirements

At the time of convening the general meeting, the company's share capital amounts to a nominal value of DKK 219,749,230, divided into a class A share capital of a nominal value of DKK 112,316,270 (11,231,627 shares of a nominal value of DKK 10 each) and a class B share capital of a nominal value of DKK 107,432,960 (10,743,296 shares of a nominal value of DKK 10 each). Each class A share of a nominal value of DKK 10 entitles to ten votes, and each class B share of a nominal value of DKK 10 entitles to one vote according to article 9.b of the Articles of Association.

Shareholders are entitled to vote, if they on the record date, Wednesday, 30 March 2016, are registered in the company's register of shareholders or have given notice to the company of a change of ownership, which the company has received for the purpose of registration in the register of shareholders, but which has not yet been registered according to article 9.c. of the

**Release no. 3 – 2016**  
**To Nasdaq Copenhagen**

Page 3/4

Articles of Association, and who have requested admission cards or submitted absentee votes in due time.

All proposals on the agenda may be adopted by a simple majority vote.

Admission cards

Shareholders wishing to attend the general meeting must request an admission card no later than Friday, 1 April 2016. Admission cards can be obtained as follows:

- (a) electronically via the shareholder portal on [www.rockwool.com/shareholder](http://www.rockwool.com/shareholder) by using the password and deposit account information sent directly to all registered shareholders or NemID, or
- (b) by returning the completed registration form to Computershare A/S, Kongevejen 418, DK-2840 Holte. The registration form has been sent to all registered shareholders, who have requested it, and is also available at the company's website, [www.rockwool.com/agm](http://www.rockwool.com/agm).

Admission cards will be issued from Thursday, 31 March 2016.

Proxy

A shareholder may utilise his/her voting rights by proxy, provided that the proxy holder substantiates his right to attend the general meeting by presenting an admission card and a dated proxy form in writing. The proxy form is available at the company's website, [www.rockwool.com/agm](http://www.rockwool.com/agm), and can also be obtained from Computershare A/S.

Computershare A/S must receive the completed proxy form no later than on Friday, 1 April 2016. The proxy form may be sent in writing by ordinary mail or electronically via the shareholder portal on [www.rockwool.com/shareholder](http://www.rockwool.com/shareholder).

Absentee votes (voting by correspondence)

A shareholder may exercise his/her voting rights by submitting an absentee vote. A form for submitting absentee votes may be obtained at the company's website, [www.rockwool.com/agm](http://www.rockwool.com/agm), and may also be obtained from the company or Computershare A/S. Computershare A/S must receive the absentee votes no later than Monday, 4 April 2016. Absentee votes can be sent in writing by ordinary mail or electronically via the shareholder portal on [www.rockwool.com/shareholder](http://www.rockwool.com/shareholder).

Publication of documents

The notice including the agenda, the complete proposals, information about voting rights and capital structure at the time of the notice convening the annual general meeting, the audited annual report as well as the form of proxy and absentee votes will be available at the company's website, [www.rockwool.com/agm](http://www.rockwool.com/agm), in the period from the publication of the notice and until and including the day of the general meeting.

A printed copy of the ROCKWOOL Group 2015 (pamphlet with extract of the annual report) and the ROCKWOOL Foundation Annual Report 2015 may be ordered on our website [www.rockwool.com/order](http://www.rockwool.com/order) no later than Sunday, 20 March 2016 for receipt prior to the general meeting.

**Release no. 3 – 2016**  
**To Nasdaq Copenhagen**

Page 4/4

Questions

The company encourages all shareholders to actively take part in the annual general meeting, by providing questions to the company's management on any matters that may require clarification.

Up until the day before the general meeting the shareholders can submit questions in writing to the company regarding the agenda or documents for the purpose of the general meeting.

Yours sincerely,  
**ROCKWOOL International A/S**

On behalf of the board of directors  
Bjørn Høi Jensen, Chairman of the board of directors

# Schedule 1: Candidates for the board of directors



## BJØRN HØI JENSEN

Chairman

Date of birth: 6 October 1961

Elected to the Board: 2009

Independent according to the [corporate governance recommendations](#)

Nationality: Danish

CEO of Zeno ApS

### **Education**

1985: MSc in Economics, University of Copenhagen

### **Main points of career**

2011- : CEO of Zeno ApS

2008-2011 : Non-executive Director at EQT

1995-2008: Senior Partner at EQT

1985-1995: Investment banker in Copenhagen and London

### **Other positions related to the company**

Member of the [Chairmanship](#).

Chairman of the [Remuneration Committee](#).

### **Positions in other Danish companies**

Deputy Chairman of the Board of Erhvervsinvest Management A/S.

### **Other positions**

Chairman of the Board of CEPOS.

Member of the Board of the Bevica Foundation.

### **Re-election motivation**

Bjørn Høi Jensen has extensive experience within general management and financing matters from previous employments in the private equity and banking sectors.

### **Remuneration for 2015/2016 determined by the general meeting April 2015**

Chairman of the Board DKK 900,000

Supplement for Chairman of the Audit Committee DKK 250,000 (until 18 November 2015)

Supplement for members of the Remuneration Committee DKK 75,000

# Schedule 1: Candidates for the board of directors



## CARSTEN BJERG

First Deputy Chairman

Date of birth: 12 November 1959

Elected to the Board: 2011

Independent according to the [corporate governance recommendations](#)

Nationality: Danish

### Education

1985: Advanced Course in Production Methods and Management, Cambridge University

1983: Engineering degree from the Technical University of Denmark

### Main points of career

2013-: Board member

2007-2013: CEO of Grundfos Holding A/S and President of the Grundfos Group

2003-2006: Deputy CEO, Grundfos Management A/S

2000-2002: EVP, Group Production Director, Grundfos Management A/S

1997-1999: SVP, International Production, Grundfos Management A/S

1994-1997: Product Line Director, Danfoss A/S

1989-1994: Production Manager / Plant Manager, Danfoss A/S

1985-1989: Project Manager, Danfoss A/S

1983-1984: Production Rotation Engineer, Danfoss A/S

### Other positions related to the company

Member of the [Chairmanship](#).

Chairman of the [Audit Committee](#).

Member of the [Remuneration Committee](#).

### Positions in other Danish companies

Chairman of the Board of PCH Engineering A/S.

Vice Chairman of the Board of Højgaard Holding A/S.

Member of the Boards of Vestas Wind Systems A/S, MT Højgaard A/S and K. Nissen International A/S.

### Other positions

Chairman of the Board of the Market Development Fund.

# Schedule 1: Candidates for the board of directors

## Re-election motivation

Carsten Bjerg has extensive experience in strategic management of an international company (the Grundfos Group) and extensive knowledge of R&D, production and sustainability.

## Remuneration for 2015/2016 determined by the general meeting April 2015

Deputy Chairmen of the Board DKK 600,000

Supplement for Chairman of the Audit Committee DKK 250,000 (as of 19 November 2015)

Supplement for members of the Remuneration Committee DKK 75,000



## SØREN KÄHLER

Second Deputy Chairman

Date of birth: 25 July 1950

Elected to the Board: 2013

Not independent according to the [corporate governance recommendations](#)

Nationality: Danish

## Education

1977: MSc. (Engineering) (chemistry), Technical University of Denmark

## Main points of career

1994-2005: Finance Manager of ROCKWOOL Engineering, ROCKWOOL International A/S

1988-1993: Vice President, Finance of ROCKMENT A/S

1984-1987: Technical Project Manager of F. L. Smidth & Co. A/S (Denmark)

1980-1983: Project Leader of F. L. Smidth & Co. A/S (Iraq)

1977-1979: Sales Engineer of F. L. Smidth & Co. Ltd. (UK)

## Other positions related to the company

Member of the [Chairmanship](#).

Member of the [Remuneration Committee](#).

Member of the [Audit Committee](#).

Member of the Board of the [ROCKWOOL Foundation](#).

Member of the Kähler Family Meeting.

## Positions in other Danish companies

Chairman of the Board of A/S Saltbækvig.

## Other positions

Member of the Board of the Foundation Sagnlandet Lejre.

# Schedule 1: Candidates for the board of directors

## **Re-election motivation**

Søren Kähler has experience with management in international businesses and has a close relationship with major shareholders.

## **Remuneration for 2015/2016 determined by the general meeting April 2015**

Other members of the Board (until 30 September 2015) DKK 300,000 annually

Deputy Chairman of the Board (as of 1 October 2015) DKK 600,000 annually

Supplement for members of the Remuneration Committee (as of 1 October 2015) DKK 75,000 annually

Supplement for members of the Audit Committee DKK 150,000 annually



## **ANDREAS RONKEN**

Date of birth: 8 May 1967

Proposed elected to the Board: 2016

Independent according to the **corporate governance recommendations**

Nationality: German

CEO of Alfred Ritter GmbH & Co.KG

## **Education**

2002: Executive Master of Business Administration, University of Bremen, Germany

1993: Ph.D. in Mechanical Engineering, University of Dortmund, Germany

1991: MSc. in Industrial Engineering, and CIMS Certificate, Georgia Institute of Technology, Atlanta, Georgia, USA

1990: Bachelor (Vordiplom), Mechanical Engineering, University of Dortmund, Germany

## **Main points of career**

2015- : CEO of Alfred Ritter GmbH & Co.KG

2005-2014: Managing Director/Vice President, Production and Technology, Alfred Ritter GmbH & Co.KG, Germany

2002-2005: Site Director Supply Chain, Masterfoods/Mars Inc., Breitenbrunn, Austria

1997-2002: R&D Manager, Masterfoods/Mars Inc., Minden, Germany

1996-1997: Shift-/Production Manager, Masterfoods/Mars Inc., Bruck, Austria

1995-1996: Process Engineer, Masterfoods/Mars Inc., Verden, Germany (Dry Petfood Production)

1994-1995: R&D Assignment, Masterfoods/Mars Inc., St. Denis L'Hotel, France

1993-1994: Management Trainee, Masterfoods/Mars Inc., Verden, Germany



# Schedule 1: Candidates for the board of directors

## Other positions related to the company

-

## Positions in other Danish companies

-

## Other positions

- Member of Advisory Board of Otto Cosmetic GmbH, Groß Rohrheim, Germany.

## Election motivation

Andreas Ronken has extensive experience in strategic management in international companies (Mars Inc. and Alfred Ritter Group) and profound knowledge of marketing, branding, supply chain management and R&D.

## Remuneration for 2015/2016 determined by the general meeting April 2015

New candidate – no remuneration received for 2015/2016



## LARS FREDERIKSEN

Date of birth: 9 September 1958

Elected to the Board: 2014

Independent according to the [corporate governance recommendations](#)

Nationality: Danish

## Education

2014: International Directors Programme, INSEAD, France

1998: Advanced Management Programme, INSEAD, France

1983: MSc in Economics and Business Administration, Copenhagen Business School

## Main points of career

2013-: Board member and non-executive director

2005-2013: CEO, Chr. Hansen Holding A/S

2001-2005: Executive Vice President, International Operations, Chr. Hansen Holding A/S

1999-2001: Executive Vice President, Bio Ingredients Division, Chr. Hansen Holding A/S

1996-1999: Executive Vice President, Dairy Ingredients Division, Chr. Hansen A/S

1990-1996: Vice President, Dairy Ingredients Division, Chr. Hansen A/S

1989-1990: Corporate Strategic Planning, Chr. Hansen Holding A/S

1986-1990: Directeur Commercial, Chr. Hansen France SA

1984-1986: Attache de Direction, Chr. Hansen France SA

# Schedule 1: Candidates for the board of directors

## **Other positions related to the company**

Member of the **Audit Committee**.

Lars Frederiksen is the member of the Audit Committee who is independent and possesses the required insight and experience in financial, accounting and audit aspects of a company listed on the stock exchange.

## **Positions in other Danish companies**

Chairman of the Board of Matas A/S.

Member of the Boards of Falck A/S, Widex A/S, Hedorf Holding A/S, Hedorf Foundation, and Augustinus Industri A/S.

## **Other positions**

Chairman of the Board of the Danish Committee for Good Corporate Governance.

Member of the Supervisory Board of PAI Partners SA, France.

## **Re-election motivation**

Lars Frederiksen has extensive experience in global and technology-intensive business-to-business activities (Chr. Hansen Holding A/S).

## **Remuneration for 2015/2016 determined by the general meeting April 2015**

Other members of the Board DKK 300,000

Supplement for members of the Audit Committee DKK 150,000.



## **THOMAS KÄHLER**

Date of birth: 2 November 1970

Elected to the Board: 2008

Not independent according to the **corporate governance recommendations**

Nationality: Danish

Senior Vice President, Head of Systems Division, ROCKWOOL International A/S

## **Education**

2008: MBA, Copenhagen Business School, Denmark

1998: Business Diploma, 1st part, Copenhagen Business School, Denmark

1993: Electrical / Mechanical Engineer, Technical University of Denmark

# Schedule 1: Candidates for the board of directors

## **Main points of career**

2015- : Senior Vice President, Head of Systems Division, ROCKWOOL International A/S

2009-2015 : Managing Director of ROCKWOOL Scandinavia

2004-2009 : Managing Director of RockDelta A/S

2001-2004: Sales Director at RFS Denmark A/S (Alcatel Group)

1998-2001: Regional Sales Manager at RFS Denmark A/S (Alcatel Group)

1996-1998: Regional Sales Manager at Howden Denmark A/S

1994-1996: Area Sales Manager at Ametek Denmark A/S

## **Other positions related to the company**

Member of **Group Management**, and Senior Vice President, Head of Systems Division.

Member of the Kähler Family Meeting.

## **Positions in other Danish companies**

-

## **Other positions**

-

## **Re-election motivation**

Thomas Kähler has experience with management, marketing, sales and business development in international businesses and has a close relationship with major shareholders.

## **Remuneration for 2015/2016 determined by the general meeting April 2014**

Deputy Chairman of the Board (until 30 September 2015) DKK 600,000 annually

Other members of the Board (as of 1 October 2015) DKK 300,000 annually

Supplement for members of the Remuneration Committee (until 30 September 2015) DKK 75,000 annually



## **LARS ELMEKILDE HANSEN**

Born 25 December 1960

Elected to the Board of Directors: 2014

Elected by employees

Nationality: Danish

Senior Project Manager, ROCKWOOL International A/S

# Schedule 1: Candidates for the board of directors

## **Education**

1989: Business Diploma, Logistics, Copenhagen Business School

1986: MSc. (Engineering) (Machine), Technical University of Denmark

## **Other positions related to the company**

Member of the Board of the ROCKWOOL Foundation.

## **Positions in other Danish companies**

-

## **Other positions**

-

## **Remuneration for 2015/2016 determined by the general meeting April 2015**

Other members of the Board of Directors DKK 300,000



## **DORTE HANNE PAGE LARSEN**

Date of birth: 15 May 1955

Elected to the Board: 2014

Elected by employees

Nationality: Danish

Senior Transport Coordinator, ROCKWOOL International A/S

## **Education**

1982: Professional Training in Procurement/Shipping/Logistics/Insurance

1973: Roskilde Business School

## **Other positions related to the company**

-

## **Positions in other Danish companies**

-

## **Other positions**

-

# Schedule 1: Candidates for the board of directors

## **Remuneration for 2015/2016 determined by the general meeting April 2015**

Other members of the Board DKK 300,000



## **CONNIE ENGHUS THEISEN**

Date of birth: 20 November 1960

Elected to the Board: 2006

Elected by employees

Nationality: Danish

Corporate CSR and Sustainability Director, ROCKWOOL International A/S

## **Education**

1994: Graduate Diploma in Business Administration (HDA), Odense University

1985: Master of Art, Odense University - Cand. Mag.: principal subject: German, subsidiary subject: English

## **Other positions related to the company**

-

## **Positions in other Danish companies**

-

## **Other positions**

-

## **Remuneration for 2015/2016 determined by the general meeting April 2015**

Other members of the Board DKK 300,000

# Schedule 2

## Remuneration Policy for the Board of Directors, Group Management and senior executives of ROCKWOOL International A/S

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### 1. Preamble

This *Remuneration Policy for the Board of Directors, Group Management and senior executives of ROCKWOOL International A/S* (the “Policy”) has been prepared and adopted by the Board of Directors of ROCKWOOL International A/S (“ROCKWOOL Group” or the “Company”).

In accordance with the Danish Corporate Governance Recommendations, the Policy has been submitted to the Company’s annual general meeting for approval.

This Policy replaces the remuneration policy approved at the annual general meeting on April 18, 2012 and is applicable for agreements on remuneration entered into after the annual general meeting on April 6, 2016.

The Policy applies to the Company’s Board of Directors, Group Management and to certain senior executives as defined by the Board of Directors from time to time (“Senior Executives”). The Policy is supplemented by the overall guidelines for incentive-based remuneration of Group Management of ROCKWOOL International A/S (the “Incentive Guidelines”).

The Policy and the Incentive Guidelines are available on the Company’s website [www.rockwool.com](http://www.rockwool.com).

### 2. Purpose of the Policy and General principles

The Policy is designed to enable the Company to attract and retain professionals of high calibre.

The remuneration provided in accordance with this Policy shall promote and support our business’ success and value creation both on the short and long term, and thus encourage performance which is aligned with our shareholders’ interests.

The overall remuneration philosophy of the ROCKWOOL Group is that the system shall be simple and transparent and secure that we drive performance.

Any new short or long term incentive schemes or changes to existing schemes applicable for the target group will be in accordance with this Policy and the Incentive Guidelines will be prepared by the Remuneration Committee and approved by the Board of Directors. The individual fixed and variable remuneration will be set in accordance with this Policy, the Incentive Guidelines and the above principles.

### 3. General principles for the remuneration of the Board of Directors

Board members receive a fixed annual base fee.

The Chairman, Deputy Chairmen and members of the board committees are entitled to supplementary fees for their extended duties. Chairmen of committees are entitled to a higher supplementary fee than ordinary committee members.

The base fee and any supplementary fees are subject to the approval of the Company’s general meeting and covers the period until the next annual general meeting. In the event a board member resigns prior to expiry of an election term, only a proportionate amount of the fees will be paid.

In extraordinary circumstances, the Board of Directors may offer a board member a separate ad hoc fee for specific tasks performed by such board member for and at the instruction of the Board of Directors. In such case, the Board of Directors will describe the circumstances relating to such ad hoc fee at the first proceeding general meeting.

## Schedule 2

The Remuneration Committee monitors the remuneration paid to board members and provides recommendation for adjustment, if any, based on relevant benchmark for comparable Danish and European companies.

Members of the Board of Directors are not offered pension arrangements or any type of incentive-based remuneration, neither in the form of short nor long term incentive schemes. Remuneration to members of the Board of Directors is paid in cash. The Company reimburses reasonable travel expenses in connection with participation in board meetings.

The individual fees for each member of the Board of Directors are disclosed in the relevant annual report and on the Company's website, [www.rockwool.com](http://www.rockwool.com).

### **4. General principles for the remuneration of Group Management and Senior Executives**

The remuneration package of Group Management and Senior Executives includes base salary and variable pay which may include both short and long term incentive schemes. The allocation between fixed and variable pay is determined within the boundary conditions set in the Incentive Guidelines, taking individual circumstances and applicable market standards into consideration.

In addition, Group Management and Senior Executives are in general offered pension and other benefits in line with local market practises. The total remuneration package for each Group Management member and Senior Executive is evaluated against benchmarks relevant to the position and location of the executive. The remuneration level is designed to attract and retain professionals and to align the interests of the executives with those of the shareholders.

The remuneration of Group Management and Senior Executives, including any changes to existing pay, is reviewed in the Remuneration Committee and approved by the Board of Directors.

#### **Base Salary**

The fixed base salary for each Group Management member and Senior Executive is set based on the individual's experience, contribution to the Company and in the context of the external market benchmark. The base salary is subject to annual review.

#### **Short-term incentive scheme**

Group Management members and Senior Executives are eligible to receive short-term incentives in the form of a cash bonus.

The short-term incentives are designed to incentivise and encourage the individual participant to high performance and ensure achievement of the Company's short term objectives.

Guidelines governing the Company's short-term incentive schemes for members of Group Management are set out in the Incentive Guidelines.

#### **Long-term Incentive scheme**

Group Management members and Senior Executives are eligible to participate in the ROCKWOOL Group's long-term incentive schemes.

The share based schemes are designed to promote collective performance aligning long term interests of the executives with those of the shareholders.

Guidelines governing the Company's long-term incentive schemes for members of Group Management are set out in the Incentive Guidelines. The Incentive Guidelines also set out maximum values for annual grants and maximum number of shares committed under the Company's long-term incentive scheme for the total participant group, including Group Management and Senior Executives.

## Schedule 2

### **Pension**

Pension schemes for members of Group Management and Senior Executives are offered with due regard to local practices in the country of employment. The ROCKWOOL Group has given it high priority to make such pension schemes defined contribution schemes and secure that necessary provisions (if any) are made in the annual report in accordance with applicable rules.

### **Other benefits**

Members of Group Management and Senior Executives may receive ordinary non-monetary benefits such as company car, insurance, paid phone etc. in line with local practice in the country of employment.

### **Termination**

The termination schemes for Group Management and Senior Executives are aligned with local practices in the country of employment. The Company generally seeks to secure customary non-compete restrictions to protect the ROCKWOOL Group's interest. The aggregate notice period and severance pay cannot exceed 24 months.

### **Disclosure**

The Company does not disclose details of the individual Group Management member's remuneration package. However, the aggregate remuneration paid to Group Management in any given financial year is disclosed in the annual report for the relevant financial year.

## **5. Remuneration Committee**

The Remuneration Committee ensures that the Company's Policy and Incentive Guidelines are updated and markets conform.

The Remuneration Committee reviews and submits proposals for remuneration and ensures that all remuneration granted to the Board of Directors and Group Management is consistent with and promotes the purpose of the Policy and Incentive Guidelines.

The Remuneration Committee should refrain from engaging the same external advisors as Group Management.

The Board of Directors may exercise its authority outlined in this Policy and the Incentive Guidelines through the Remuneration Committee.



# Schedule 3

## General guidelines for incentive-based remuneration of Group Management of ROCKWOOL International A/S

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### 1. Preamble

These *General guidelines for incentive-based remuneration of Group Management of ROCKWOOL International A/S* (the “Incentive Guidelines”) has been prepared and adopted by the Board of Directors of ROCKWOOL International A/S (“ROCKWOOL Group” or the “Company”).

In accordance with section 139 of the Danish Companies Act, the Incentive Guidelines have been submitted to the Company’s annual general meeting for approval.

The Incentive Guidelines replace the incentive guidelines approved at the annual general meeting on April 18, 2012 and are applicable for agreements on incentive-based remuneration entered into after the annual general meeting on April 6, 2016.

The Incentive Guidelines are supplementary to the remuneration policy for the Board of Directors, Group Management and senior executives of ROCKWOOL International A/S (the “Policy”). The Incentive Guidelines apply to all incentive-based remuneration of Group Management. As defined in the Policy, the Board of Directors of the Company does not receive any incentive-based remuneration and are thus not covered by the Incentive Guidelines.

These Incentive Guidelines also includes in section 4.3 certain overall maximum values for annual grants and maximum number of shares committed under the Company’s long-term incentive schemes for members of Group Management and Senior Executives (as defined in the Remuneration Policy).

### 2. Purpose of the Incentive Guidelines and General principles

#### 2.1 Purpose

Together with the Remuneration Policy, the Incentive Guidelines provide a framework for remuneration of the Board of Directors and Group Management of the ROCKWOOL Group.

The incentive-based remuneration is designed to ensure that the Company is able to attract and retain professionals suitable for Group Management and seek an alignment of the interests of these executives to those of our shareholders. Furthermore, the remuneration and the composition thereof shall promote and support our business’ success, value creation within the ROCKWOOL Group and its objectives both on the short and long term.

#### 2.2 Composition, award and vesting

Remuneration for Group Management, including changes to existing variable pay schemes, is proposed by the Remuneration Committee and approved by the Board of Directors. The incentive-based remuneration may within the boundaries set up in these guidelines and the Policy comprise variable remuneration, including cash and share-based incentives. The level of incentive-based remuneration for each Group Management member is assessed on an ongoing basis based on the individual’s experience, contribution to the Company and in the context of the external market benchmark.

The size and composition of any incentive-based remuneration awarded to individual members of Group Management must be based on what the Board of Directors may find suitable in order to support and promote the objectives underlying the Policy and the Incentive Guidelines, including the Company’s short term and long term objectives and the aim to create a suitable alignment of the interests of the executives and those of the shareholders.

## Schedule 3

The Board of Directors may exercise its authority outlined in these Incentive Guidelines through the Remuneration Committee.

### 2.3 Clawback and adjustment of incentive-based remuneration

The Board of Directors may lay down specific terms governing the lapse of an incentive scheme, repayment of the incentive-based remuneration, or terms governing accelerated vesting, exercise or adjustment in case of a take-over in whole or in part, significant divestiture of activities, demerger, merger or other amalgamation of the Company, or in cases where an incentive pay-out was made based on data which proved to be materially and manifestly misstated.

### 3. Short-term incentives

Group Management members are eligible to receive short-term incentives on an annual basis. Short-term incentives are paid out in cash.

The short-term incentives are primarily designed to incentivise and encourage the individual participant to high performance and ensure achievement of the Company's short term objectives.

Any grant of short-term incentives is conditional upon achievement of certain performance targets related to the relevant financial year and fixed in advance by the Board of Directors.

The performance targets linked to incentive schemes must be clear and measurable, and may be linked to the performance of the ROCKWOOL Group, a business area or the responsibility area of the particular recipient or to the occurrence of certain strategic developments or events.

Generally, the target level pay-out must correspond to performance in line with the business plan of the Company for the relevant year or period. The maximum pay-out level is 40% of the annual base salary of the relevant individual in the year of award, excluding pension and other accessory payments. The pay-out level is determined based on measurable parameters as defined in the individual's bonus plan for each incentive period.

### 4. Long-term Incentives

Group Management members are eligible to receive annual long term incentive grants. The long-term incentives will always be share based, and may consist of either stock options or restricted shares.

The long term incentives are primarily designed to incentivise long term performance and commitment of Group Management, as well as to promote alignment of the interests of the executives to the interest of the shareholders.

The value, as of the time of the grant approval, of any long-term incentive award may not exceed 30% of the annual base salary of the CEO and respectively 20% of the annual base salary of each Group Management member, excluding pension and other accessory payments. If restricted shares are granted in a given calendar year, stock options cannot be given in the same calendar year, and vice versa.

The Board of Directors will decide if the Company should purchase own shares in order to cover its obligations in relation to the long term incentive schemes. The shares will be purchased within an open trading window. The shares which the Company has to deliver upon exercise of either Stock Options or Incentive Shares will be already existing issued shares. The size of the Company's share capital will not be influenced by the incentive-based remuneration.

#### 4.1 Stock options

Stock options will be subject to vesting and exercise periods as determined by the Board of Directors for each grant. The vesting period will be no less than three years, and the exercise period will be no less than three and no more than eight years from time of grant.

## Schedule 3

The exercise price may be based on an average calculated over a period of up to three weeks prior to grant and must be equal to or higher than the Company's share price on Nasdaq Copenhagen A/S in this window.

The terms of the stock options may provide that options may be settled in cash in which case, the exercise price shall be the same as for the options where actual shares are delivered.

### 4.2 Restricted Shares

Restricted shares will be subject to a vesting period of no less than three years. After the vesting period the shares are transferred to the participants without payment subject to continued employment.

The terms of the share incentive may provide that shares may be settled in cash in which case, the gross value shall be the same as the share price at the time of vesting.

### 4.3 Size of long-term incentive schemes

The participant group and the aggregate value of the total long-term incentive scheme granted in any financial year will be approved separately by the Board of Directors. The maximum annual grant value of the total scheme is 3 million euros (Share value / Black-Scholes value at approval of the grant). Any increase of targeted annual grant value requires approval of the annual general meeting.

The number of outstanding non-exercised options or restricted shares granted to participants may not at any time exceed 5% of the Company's share capital.

## 5. Extraordinary incentive remuneration

The Board of Directors may in individual cases and for exceptional circumstances decide to award a one-off bonus or other extraordinary incentive remuneration, in connection with appointment of a new member to the Group Management, which may be incentive-based and may consist of cash and/or share-based remuneration. Award and/or vesting may be subject to attainment of certain performance targets. The value of such extraordinary incentive remuneration cannot at the time of award exceed an amount corresponding to 100% of the Group Management member's annual base salary in the year of award exclusive of pension and other accessory payments.