



Carlsberg A/S Supervisory Board Specification of Competencies

CARLSBERG

The Carlsberg Group is one of the leading brewery groups in the world, with a large portfolio of beer and other beverage brands, selling its products in more than 150 markets. The Group operates in particular in three regions: Western Europe, Central & Eastern Europe, and Asia. It employs more than 38.000 people and is characterized by a high degree of diversity in brands, markets and cultures.

Carlsberg was founded in 1847 by brewer J.C. Jacobsen whose legacy and heritage is still vivid in the Carlsberg Group including in its focus on research, innovation and high-quality products. Similarly, the breweries are run in line with J.C. Jacobsen's "Golden Words" that speak of dedication, orderliness and ambition:

"In working the brewery it should be a constant purpose, regardless of immediate gain, to develop the art of making beer to the greatest possible degree of perfection so that this brewery as well as its products may ever stand out as a model and, through their example, assist in keeping beer brewing in this country at a high and honorable level."

In February 2022, the Carlsberg A/S Supervisory Board approved a five-year strategy, Sail27, building on the previous strategy Sail22. Sail27 revolves around Carlsberg's purpose "Brewing for a better today and tomorrow" and the ambition to remain **the most successful, most professional and most attractive brewer in our markets**.

Sail27 is centred on five levers:

- 1) **Portfolio choices:** Step up in premium, strengthen mainstream core beer, accelerate alcohol-free brews, and grow beyond beer.
- 2) **Geographical priorities:** Western Europe: Premiumise and increase margins; Asia: Accelerate in core markets; Central & Eastern Europe: Drive value and build scale
- 3) **Execution:** Excel at point of purchase, Master digital, data and processes, Drive supply chain excellence.
- 4) **Culture:** Purpose- and performance-driven people, Together Towards Zero & Beyond (our ESG programme), Live by our Compass (our ethical values).
- 5) **Funding the journey:** Drive efficiencies and cost optimisation to free up resources to further invest in our business.

MANAGEMENT IN CARLSBERG A/S

Carlsberg A/S' Supervisory Board has a total of 13 members of whom eight members are elected by the General Meeting and five members are elected by the employees. The Supervisory Board has appointed an Audit Committee which primarily monitors a) the financial reporting process, b) the effectiveness of the internal control and risk management systems, c) the internal audit function, d) the external audit of financial reporting and the independence of the external audit; and e) the ESG reporting process. The Supervisory Board has also a remuneration committee and a nomination committee.

The Supervisory Board appoints the CEO, CFO and any other members of the Executive Board. The Executive Board is responsible for the day-to-day management of the Group and for the preparation and implementation of strategic plans. The Supervisory Board sees to that the Executive Board observes the goals, strategies and business procedures established by the Supervisory Board. The Supervisory Board and the Executive Board constantly strive to ensure that the Group's management structure and control systems are appropriate and work satisfactorily.

The Supervisory Board has decided that members of the Executive Board shall not be members of the Supervisory Board and a member of the Executive Board shall not join the Supervisory Board immediately after her/his retirement from the Carlsberg executive role.

ASSESSMENT OF COMPETENCIES REQUIRED

Once a year, in accordance with its annual plan, the Supervisory Board considers the skills which should be represented in the Supervisory Board. The assessment is facilitated by input and recommendations from the Nomination Committee.

The present Specification of Competencies describes the competencies that the Supervisory Board members together must possess, as well as the individual competencies which each member must possess. The Supervisory Board will consider these skills when preparing proposals for candidates for the Supervisory Board and when considering potential training and updating of the expertise and skills of the Supervisory Board members (on the basis of a recommendation from the Nomination Committee).

The Supervisory Board recognises that membership of the board is time consuming and demanding, not least due to the number of meetings, the amount of pre-read material, the complexity of issues and the expected contribution from each board member.

Required competencies

Against the background of Carlsberg as a Group and its strategy and J. C. Jacobsen's Golden Words, the Supervisory Board has defined the below competencies to be actively demonstrated by each of the Supervisory Board members or the Supervisory Board as a whole to support the execution of Sail27.

Competencies, experience and traits to be held by each Supervisory Board member

Each Supervisory Board member elected by the General Meeting must possess the following:

- Integrity and ability to demonstrate alignment, accountability and action.
- Analysis of complex issues and presentation of plans and results.
- Substantial management experience obtained from management positions in international FMCG/beverages companies, other international or large companies or institutions or knowledge-based organisations.
- Analytical thinking and strong strategic understanding.
- Good interpersonal skills to establish and maintain good working relationships and interaction with the Supervisory Board members, the Executive Board and other members of management.
- Be role models of Carlsberg's winning culture: Promoting focus on people, clear leadership expectations, people development, employee engagement as well as Diversity, Equality and Inclusion; Supporting Carlsberg's Environmental, Social and Governance programme "Together Towards Zero and Beyond", as well as the "Carlsberg Compass" to ensure that the business is conducted ethically and with integrity.
- Curiosity and openness to new ideas.
- Ability to navigate and factor into business decisions a complex and fast-changing world.

Furthermore, each Supervisory Board member must spend as much time as is required to carry out their tasks, duties and obligations as a Supervisory Board member. Each Supervisory Board member continuously assesses, and when relevant discuss with the Chair e.g. in connection with the annual board evaluation, how much time is required to perform the board duties, also with a view to ensuring that the individual members do not take on more managerial duties so as to allow the board member in question to perform her/his duties for Carlsberg in a satisfactory manner.

Competencies and experiences to be held by the Supervisory Board members collectively

The collective experience basis of the Supervisory Board members elected by the General Meeting should in addition to the above individual competencies include the following:

- Substantial, international experience from FMCG companies, preferably the drinks industry, which manufacture and market their products globally.
- Insights in the beverage category dynamics such as micro vs. mass markets, new trade channels and e-commerce.
- Insights in mega trends and potential disruption factors relevant for Carlsberg and its industry, such as business to consumer, digital, big data, artificial intelligence, e-commerce, social media, geo-political and macro-economic environments and their impact on Carlsberg.

- Understanding of relevant regulatory framework and trends, such as taxation, health, safety and environmental issues.
- M&A&D (mergers, acquisitions and divestitures)
- Substantial experience from growth/emerging markets.
- Substantial experience with innovation, research and development, preferably consumer-driven.
- Manufacturing, logistics and sales and marketing management.
- Sustainable performance management, ie. fostering a high-performance work culture with respect for employees and their well-being.
- Identification and management of business risks.
- Financial management and financial reporting processes.
- Stakeholder relations and investor relations.
- Environmental, Social and Governance expertise

At least two members of the Supervisory Board must have relevant financial experience and fulfil the criteria to be eligible for membership of the Audit Committee as per the [Audit Committee Terms of reference](#).

The Supervisory Board should be composed in a way that the board is able to support, inspire, challenge and guide the Executive Board and to deal effectively with the Carlsberg Group's strategic direction and decisions, general and financial management as well as the Group's challenges and opportunities at all times.

Supervisory Board members elected by the employees

In addition to the Supervisory Board members elected by the General Meeting, a number of employee representatives are elected by the employees in accordance with the Danish Companies Act. The Supervisory Board encourages the employees to ensure that the Carlsberg Group employees are widely represented on the Carlsberg A/S board and to consider ways to elect employee representatives also from outside of Denmark. The Supervisory Board encourages the employees to elect employee representatives who are trusted and have broad experience and knowledge of Carlsberg and its employees.

Diversity

The Supervisory Board believes that members should be chosen first and foremost for their overall competencies. The Supervisory Board also recognises the benefits of a diverse board in respect of experience, style, culture, international experience and gender.

Carlsberg A/S' Supervisory Board has laid down the company's objectives for the diversity of the Supervisory Board members elected by the General Meeting when it comes to gender and international experience. The objectives are the following:

- The Supervisory Board's objective is to increase the proportion of the underrepresented gender on the Supervisory Board so that no later than during 2024 it will reach at least 40% of the Supervisory Board members elected by the General Meeting.
- With regard to international experience it is the objective that 50% or more of the Supervisory Board members elected by the General Meeting should have substantial international experience from management in and of large corporations or institutions.

Finally, the Supervisory Board believes that diversity in respect of experience and competencies will be achieved through the selection of members who collectively fulfil the experience base set out in the "Competencies" section above.

In terms of gender diversity, women are currently underrepresented compared to men both on the Carlsberg A/S Supervisory Board and in senior management positions in the Carlsberg Group. On this basis, Carlsberg wishes to increase the number of women in senior management positions and has defined a clear ambition to this end:

The Carlsberg Group aims for having minimum 40% females in Senior Leadership roles. To reach this goal, Carlsberg has, as part of its strategy Sail '27, defined and introduced short- and long-term time-bound targets for increasing the share of the underrepresented gender.

Carlsberg A/S, October 2023
The Supervisory Board