

| Recommendation | Complied with or Explained | Documentation /reference | Traffic lights | Publication |
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| 1. Communication and interaction by the company with its investors and other stakeholders | | | | |
| <i>1.1. Dialogue between company, shareholders and other stakeholders</i> | | | | |
| 1.1.1 The Committee recommends that the board of directors ensure ongoing dialogue between the company and its shareholders in order for the shareholders to gain relevant insight into the company's potential and policies, and in order for the board of directors to be aware of the shareholders' views, interests and opinions on the company. | Complied with | In this context, the members, the social partners, ministries and other external stakeholders are equated with shareholders. | | Website etc. |
| 1.1.2 The Committee recommends that the board of directors adopt policies on the company's relationship with its stakeholders, including shareholders and other investors, and that the board ensures that the interests of the shareholders are respected in accordance with company policies. | Complied with | ATP's policy for internal and external communications | | |
| 1.1.3 The Committee recommends that the company publish quarterly reports. | Complied with | | | Website |
| <i>1.2. General meeting</i> | | | | |
| 1.2.1 The Committee recommends that, when organising the company's general meeting, the board of directors plan the meeting to support active ownership. | Complied with | ATP's Meeting of Representatives is seen as the general meeting. The Supervisory Board determines the time for the Meeting of Representatives one year in advance, and the members of the Board of Representatives are informed as soon as possible thereafter. Each year, relevant presentations are made at the Meeting of Representatives. | | |

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|---|----------------------------|--|----------------|---------------------------|
| 1.2.2 The Committee recommends that proxies granted for the general meeting allow shareholders to consider each individual item on the agenda. | Complied with | Proxies that make it possible to consider each individual item on the agenda are submitted along with the material for Supervisory Board meetings as well as the Meeting of Representatives. | | |
| 1.3. Takeover bids | | | | |
| 1.3.1 The Committee recommends that the company set up contingency procedures in the event of takeover bids from the time that the board of directors has reason to believe that a takeover bid will be made. According to such contingency procedures, the board of directors should not without the acceptance of the general meeting, attempt to counter the takeover bid by making decisions which in reality prevent the shareholders from deciding on the takeover bid themselves. | n/a | | | |
| 2. Tasks and responsibilities of the board of directors | | | | |
| 2.1. Overall tasks and responsibilities | | | | |
| 2.1.1 The Committee recommends that at least once a year the board of directors take a position on the matters related to the board's performance of its responsibilities. | Complied with | The Supervisory Board has prepared an annual cycle of work which is used to arrange its meetings. | | |
| 2.1.2 The Committee recommends that at least once a year the board of directors take a position on the overall strategy of the company with a view to ensuring value creation in the company. | Complied with | The Supervisory Board annually determines and follows up on the ATP Group's strategic focus areas and objectives. | | |
| 2.1.3 The Committee recommends that the board of directors ensure that the company has a capital and share structure ensuring that the strategy and long-term value creation of the company are in the best interest of the shareholders and the company, and that the board of directors presents this in the management commentary on the company's annual report and/or on the company's website. | Complied with | The Supervisory Board has determined a bonus policy that describes the limits for bonus payouts in detail. | | Annual report and website |
| 2.1.4 The Committee recommends that the board of directors | Complied | The Supervisory Board annually reviews and revises the | | |

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|--|----------------------------|--|----------------|---------------|
| annually review and approve guidelines for the executive board; this includes establishing requirements for the executive board on timely, accurate and adequate reporting to the board of directors. | with | instructions to the Executive Board and other guidelines, including the reporting to the Supervisory Board. | | |
| 2.1.5 The Committee recommends that at least once a year the board of directors discuss the composition of the executive board, as well as developments, risks and succession plans. | Complied with | The Supervisory Board continuously assesses whether the CEO performs his duties in accordance with ATP's risk profile, policies and guidelines. This issue is regularly discussed by the Executive Committee. | | |
| 2.1.6 The Committee recommends that once a year the board of directors discuss the company's activities to ensure relevant diversity at management levels, including setting specific goals and accounting for its objectives and progress made in achieving the objectives in the management commentary on the company's annual report and/or on the website of the company. | Complied with | The Supervisory Board has determined both target figures and a policy for the underrepresented sex in senior management, and the company's activities are discussed annually by the Supervisory Board. | | Annual report |
| 2.2. Responsibility | | | | |
| 2.2.1 The Committee recommends that the board of directors adopt policies on corporate social responsibility. | Complied with | The Supervisory Board has established guidelines for social responsibility in connection with investments and ATP's active ownership. | | |
| 2.3. Chairman and vice-chairman of the board of directors | | | | |
| 2.3.1 The Committee recommends appointing a vice-chairman of the board of directors who will assume the responsibilities of the chairman in the event of the chairman's absence, and who will also act as effective sparring partner for the chairman. | n/a | The composition of the Supervisory Board is imposed by the Danish ATP Act (ATP-loven). | | |
| 2.3.2 The Committee recommends ensuring that, if the board of directors, in exceptional cases, asks the chairman of the board of directors to perform special operating activities for the company, including briefly participating in the day-to-day management, a | n/a | | | |

| Recommendation | Complied with or Explained | Documentation /reference | Traffic lights | Publication |
|--|----------------------------|---|----------------|---------------|
| board resolution to that effect be passed to ensure that the board of directors maintains its independent, overall management and control function. Resolutions on the chairman's participation in day-to-day management and the expected duration hereof should be published in a company announcement. | | | | |
| 3. Composition and organisation of the board of directors | | | | |
| <p>3.1.1 The Committee recommends that the board of directors annually account for</p> <ul style="list-style-type: none"> • the skills it must have to best perform its tasks, • the composition of the board of directors, and • the special skills of each member. | Complied with | <p>The composition of the Supervisory Board is imposed by the Danish ATP Act (ATP-loven).</p> <p>The Supervisory Board's overall skills are discussed in connection with the annual self-assessment.</p> <p>The Supervisory Board has elected a number of members with expertise and operational experience from both national and international financial companies.</p> | | Annual report |
| <p>3.1.2 The Committee recommends that the selection and nomination of candidates for the board of directors be carried out through a thoroughly transparent process approved by the overall board of directors. When assessing its composition and nominating new candidates, the board of directors must take into consideration the need for integration of new talent and diversity in relation to age, international experience and gender.</p> | Complied with/Explained | <p>The composition of the Supervisory Board is imposed by the Danish ATP Act, which provides for a balanced composition of men and women on the Board of Representatives and the Supervisory Board.</p> | | |
| <p>3.1.3 The Committee recommends that the notice convening the general meeting when election of members to the board of directors is on the agenda be accompanied by a description of the nominated candidates' qualifications, including information about the candidates'</p> <ul style="list-style-type: none"> • other executive functions, among these memberships in executive boards, boards of directors, and supervisory boards, including board committees in foreign enterprises | n/a | <p>The composition of the Supervisory Board is imposed by the Danish ATP Act (ATP-loven).</p> | | |

| Recommendation | Complied with or Explained | Documentation /reference | Traffic lights | Publication |
|---|----------------------------|---|----------------|-------------|
| <ul style="list-style-type: none"> • demanding organisational tasks, and information about • whether candidates to the board of directors are considered independent. | | | | |
| 3.1.4 The Committee recommends that the company's articles of association stipulate a retirement age for members of the board of directors. | n/a | The composition of the Supervisory Board is imposed by the Danish ATP Act (ATP-loven). | | |
| 3.1.5 The Committee recommends that members of the board of directors elected by the general meeting be up for election every year at the annual general meeting. | n/a | The three-year election period for the members of the Supervisory Board is imposed by the Danish ATP Act. | | |
| <i>3.2. Independence of the board of directors</i> | | | | |
| <p>3.2.1 The Committee recommends that at least half of the members of the board of directors elected by the general meeting be independent persons, in order for the board of directors to be able to act independently of special interests.</p> <p>To be considered independent, this person may not:</p> <ul style="list-style-type: none"> • be or within the past five years have been member of the executive board, or senior staff member in the company, a subsidiary undertaking or an associate, • within the past five years, have received larger emoluments from the company/group, a subsidiary undertaking or an associate in another capacity than as member of the board of directors, • represent the interests of a controlling shareholder, • within the past year, have had significant business relations (e.g. personal or indirectly as partner or employee, shareholder, customer, supplier or member of the executive management in companies with corresponding connection) with the company, a subsidiary undertaking or an associate, • be or within the past three years have been employed or partner at the external auditor, | n/a | The composition of the Supervisory Board is imposed by the Danish ATP Act (ATP-loven). | | |

| Recommendation | Complied with or Explained | Documentation /reference | Traffic lights | Publication |
|--|----------------------------|---|----------------|---------------|
| <ul style="list-style-type: none"> • have been chief executive in a company holding cross-memberships with the company, • have been member of the board of directors for more than 12 years, or • have been close relatives with persons who are not considered independent. | | | | |
| <i>3.3. Members of the board of directors and the number of other executive functions</i> | | | | |
| <p>3.3.1 The Committee recommends that each member of the board of directors assess the expected time commitment for each function in order that the member does not take on more functions than he/she can manage satisfactorily for the company.</p> | Complied with | Supervisory Board members are appointed by the minister of employment upon nomination by the organisations specified in the Danish ATP Act. The organisations make this assessment when nominating members for appointment. | | |
| <p>3.3.2 The Committee recommends that the management commentary, in addition to the provisions laid down by legislation, include the following information about the members of the board of directors:</p> <ul style="list-style-type: none"> • the position of the relevant person, • the age and gender of the relevant person, • whether the member is considered independent, • the date of appointment to the board of directors of the member, • expiry of the current election period, • other executive functions, e.g. memberships in executive boards, boards of directors, and supervisory boards, including board committees in foreign enterprises and • demanding organisational tasks, and • the number of shares, options, warrants and similar in the company, and other group companies of the company, owned by the member, as well as changes in the portfolio of the member of the securities mentioned which have occurred during the financial | Partially complied with | <p>Supervisory Board members are appointed by the minister of employment upon nomination by the organisations specified in the Danish ATP Act.</p> <p>The occupation and other directorships held by individual members as well as the year in which they joined the Supervisory Board are specified in the annual report.</p> <p>The annual report also describes the general competencies, knowledge and experience of the individual members of the Supervisory Board.</p> | | Annual report |

| Recommendation | Complied with or Explained | Documentation /reference | Traffic lights | Publication |
|---|----------------------------|--|----------------|---------------------------|
| year. | | | | |
| 3.4. Board committees | | | | |
| <p>3.4.1 The Committee recommends that the company publish the following on the company's website:</p> <ul style="list-style-type: none"> • the terms of reference of the board committees, • the most important activities of the committees during the year and the number of meetings held by each committee, and • the names of the members of each committee, including the chairmen of the committees, as well as information on which members are independent members and which members have special qualifications. | Complied with | <p>The composition and purpose of the Audit Committee are described in the annual report. The Terms of Reference are published on the website. The names of the Committee members are provided in the annual report, including the name of the Chairman.</p> <p>The composition and purpose of the Executive Committee are described in the annual report. The Rules of Procedure are also published on the website, including the names of Committee members and the tasks performed by the Executive Committee as Remuneration Committee.</p> <p>The Supervisory Board has assessed that the members of the committees have the necessary skills and qualifications.</p> | | Annual report and website |
| 3.4.2 The Committee recommends that a majority of the members of a board committee be independent. | Complied with | The Supervisory Board has assessed that the independence of the overall committee is adequate. | | |
| <p>3.4.3 The Committee recommends that the board of directors set up a formal <u>audit committee</u> composed such that</p> <ul style="list-style-type: none"> • the chairman of the board of directors is not chairman of the audit committee, and • between them, the members should possess such expertise and experience as to provide an updated insight into and experience in the financial, accounting and audit aspects of companies whose shares are admitted to trading on a regulated market. | Complied with | <p>The Audit Committee was set up in 2009.</p> <p>The composition of the Audit Committee reflects the composition of ATP's Supervisory Board. The Chairman of the Audit Committee is the Chairman of the Supervisory Board; the Chairman may not be affiliated with any employer or employee organisation.</p> <p>Effective from 2015, the Supervisory Board has appointed a technical advisory committee under the Audit</p> | | |

| Recommendation | Complied with or Explained | Documentation /reference | Traffic lights | Publication |
|---|----------------------------|---|----------------|-------------|
| | | Committee, called the ORSA Committee, consisting of the Chairman of the Supervisory Board and three members of the Supervisory Board with operational experience and expertise within relevant specialist fields. | | |
| <p>3.4.4 The Committee recommends that, prior to the approval of the annual report and other financial reports, the audit committee monitor and report to the board of directors about:</p> <ul style="list-style-type: none"> • significant accounting policies, • significant accounting estimates, • related party transactions, and • uncertainties and risks, including in relation to the outlook for the current year. | Complied with | Complied with and set out in the Terms of Reference of the Audit Committee. | | |
| <p>3.4.5 The Committee recommends that the audit committee:</p> <ul style="list-style-type: none"> • annually assess the need for an internal audit, and in such case, make recommendations on selecting, appointing and removing the head of the internal audit function and on the budget of the internal audit function, and • monitor the executive board's follow-up on the conclusions and recommendations of the internal audit function. | Complied with | <p>The Supervisory Board has set up an internal audit function, and the internal audit is subject to an annual internal review in connection with the meeting with the external auditor.</p> <p>The Audit Committee and the Supervisory Board monitor the Executive Board's follow-up on the conclusions and recommendations of the internal auditor.</p> | | |

| Recommendation | Complied with or Explained | Documentation /reference | Traffic lights | Publication |
|---|----------------------------|--|----------------|-------------|
| <p>3.4.6 The Committee recommends that the board of directors establish a <u>nomination committee</u> chaired by the chairman of the board of directors with at least the following preparatory tasks:</p> <ul style="list-style-type: none"> • describe the qualifications required by the board of directors and the executive board and for a specific membership, state the time expected to be spent on having to carry out the membership, as well as assess the competences, knowledge and experience of the two governing bodies combined, • annually assess the structure, size, composition and results of the board of directors and the executive board, as well as recommend any changes to the board of directors, • annually assess the competences, knowledge and experience of the individual members of management, and report to the board of directors in this respect, • consider proposals from relevant persons, including shareholders and members of the board of directors and the executive board for candidates for the board of directors and the executive board, and • propose an action plan to the board of directors on the future composition of the board of directors, including proposals for specific changes. | n/a | The composition of the Supervisory Board is imposed by the Danish ATP Act (ATP-loven). | | |
| <p>3.4.7 The Committee recommends that the board of directors establish a <u>remuneration committee</u> with at least the following preparatory tasks:</p> <ul style="list-style-type: none"> • to recommend the remuneration policy (including the general guidelines for incentive-based remuneration) to the board of directors and the executive board for approval by the board of directors prior to approval by the general meeting, • make proposals to the board of directors on remuneration for members of the board of directors and the executive board, as well as ensure that the remuneration is in compliance with the | Complied with | The Supervisory Board has set up a Remuneration Committee, the duties of which are performed by the Executive Committee in accordance with the Executive Order on pay policy and the remuneration disclosure requirements for the Danish Labour Market Supplementary Pension Scheme. | | |

| Recommendation | Complied with or Explained | Documentation /reference | Traffic lights | Publication |
|--|----------------------------|--|----------------|-------------|
| <p>company's remuneration policy and the assessment of the performance of the persons concerned. The committee should have information about the total amount of remuneration that members of the board of directors and the executive board receive from other companies in the group, and</p> <ul style="list-style-type: none"> • recommend a remuneration policy applicable for the company in general. | | | | |
| <p>3.4.8 The Committee recommends that the remuneration committee do not consult with the same external advisers as the executive board of the company.</p> | Complied with | This was of no relevance in 2015. | | |
| <i>3.5. Evaluation of the performance of the board of directors and the executive board</i> | | | | |
| <p>3.5.1 The Committee recommends that the board of directors establish an evaluation procedure where contributions and results of the board of directors and the individual members, as well as collaboration with the executive board are annually evaluated. Significant changes deriving from the evaluation should be included in the management commentary or on the company's website.</p> | Complied with | <p>Self-assessment has been established as a task for the Supervisory Board in its Rules of Procedure.</p> <p>The Board of Directors carries out an annual self-assessment, which includes verifying that the Supervisory Board possesses the necessary knowledge and experience of ATP's risks to ensure the proper and responsible operation of the company.</p> | | |
| <p>3.5.2 The Committee recommends that in connection with preparation of the general meeting, the board of directors consider whether the number of members is appropriate in relation to the requirements of the company. This should help ensure a constructive debate and an effective decision-making process in which all members are given the opportunity to participate actively.</p> | n/a | The composition of the Supervisory Board is imposed by the Danish ATP Act (ATP-loven). | | |
| <p>3.5.3 The Committee recommends that at least once every year the board of directors evaluate the work and performance of the</p> | Complied with | The Supervisory Board continuously assesses whether the CEO performs his duties in accordance with ATP's | | |

| Recommendation | Complied with or Explained | Documentation /reference | Traffic lights | Publication |
|--|----------------------------|--|----------------|-------------|
| executive board in accordance with pre-defined clear criteria. | | risk profile, policies and guidelines. | | |
| 3.5.4 The Committee recommends that the executive board and the board of directors establish a procedure according to which their cooperation is evaluated annually through a formalised dialogue between the chairman of the board of directors and the chief executive officer and that the outcome of the evaluation be presented to the board of directors. | Complied with | This is done in connection with the self-assessment and in an ongoing dialogue between the Chairman of the Supervisory Board and the CEO. | | |
| 4. Remuneration of management | | | | |
| <i>4.1. Form and content of the remuneration policy</i> | | | | |
| <p>4.1.1 The Committee recommends that the board of directors prepare a clear and transparent remuneration policy for the board of directors and the executive board, including</p> <ul style="list-style-type: none"> • a detailed description of the components of the remuneration for members of the board of directors and the executive board, • the reasons for choosing the individual components of the remuneration, and • a description of the criteria on which the balance between the individual components of the remuneration is based. <p>The remuneration policy should be approved by the general meeting and published on the company's website.</p> | Complied with | <p>The Supervisory Board has adopted a pay policy, which is revised annually.</p> <p>The pay policy is approved by the Board of Representatives and published on atp.dk.</p> | | Website |
| <p>4.1.2 The Committee recommends that, if the remuneration policy includes variable components,</p> <ul style="list-style-type: none"> • limits be set on the variable components of the total remuneration package, • a reasonable and balanced | n/a | The Supervisory Board and the CEO do not receive variable components of remuneration. | | |

| Recommendation | Complied with or Explained | Documentation /reference | Traffic lights | Publication |
|---|----------------------------|---|----------------|-------------|
| <p>linkage be ensured between remuneration for governing body members, expected risks and the value creation for shareholders in the short and long terms,</p> <ul style="list-style-type: none"> • there be clarity about performance criteria and measurability for award of variable components, • there be criteria ensuring that qualifying periods for variable components in remuneration agreements are longer than one calendar year, and • an agreement be made which, in exceptional cases, entitles the company to reclaim in full or in part variable components of remuneration that were paid on the basis of data, which proved to be misstated. | | | | |
| 4.1.3 The Committee recommends that remuneration of members of the board of directors do not include share options. | n/a | | | |
| 4.1.4 The Committee recommends that if share-based remuneration is provided, such programmes be established as roll-over programmes, i.e. the options are granted periodically and should have a maturity of at least three years from the date of allocation. | n/a | | | |
| 4.1.5 The Committee recommends that agreements on termination payments amount to no more than two years' annual remuneration. | Complied with | | | |
| 4.2. Disclosure of the remuneration policy | | | | |
| 4.2.1 The Committee recommends that the company's remuneration policy and compliance with this policy be explained and justified annually in the chairman's statement at the company's general meeting. | Complied with | The Board of Representatives determines ATP's pay policy and annually receives a statement of compliance. | | |
| 4.2.2 The Committee recommends that the proposed remuneration for the board of directors for the current financial year be approved by the shareholders at the general meeting. | Complied with | The Board of Representatives approves the Supervisory Board's remuneration. | | |

| Recommendation | Complied with or Explained | Documentation /reference | Traffic lights | Publication |
|---|----------------------------|--|----------------|---------------------------|
| 4.2.3 The Committee recommends that the total remuneration granted to each member of the board of directors and the executive board by the company and other companies in the group, including information on the most important contents of retention and retirement/resignation schemes, be disclosed in the annual report and that the linkage with the remuneration policy be explained. | Complied with | Information is disclosed at the level of the various functions. | | Annual report and website |
| 5. Financial reporting, risk management and audits | | | | |
| <i>5.1. Identification of risks and transparency about other relevant information</i> | | | | |
| 5.1.1 The Committee recommends that the board of directors in the management commentary review and account for the most important strategic and business-related risks, risks in connection with the financial reporting as well as for the company's risk management. | Complied with | | | |
| <i>5.2. Whistleblower scheme</i> | | | | |
| 5.2.1 The Committee recommends that the board of directors decide whether to establish a whistleblower scheme for expedient and confidential notification of possible or suspected wrongdoing. | Complied with | The Supervisory Board has established a whistleblower function for the ATP Group. | | |
| <i>5.3. Contact to auditor</i> | | | | |
| 5.3.1 The Committee recommends that the board of directors ensure regular dialogue and exchange of information between the auditor and the board of directors, including that the board of directors and the audit committee at least once a year meet with the auditor without the executive board present. This also applies to the internal auditor, if any. | Complied with | Both the external and internal auditors attend meetings with the Supervisory Board. The Audit Committee meets with both the external and internal auditors without the CEO present. | | |
| 5.3.2 The Committee recommends that the audit agreement and | Explained | The audit engagement letter (audit agreement) is sub- | | |

| Recommendation | Complied with or Explained | Documentation /reference | Traffic lights | Publication |
|---|-----------------------------------|--|-----------------------|--------------------|
| auditors' fee be agreed between the board of directors and the auditor on the basis of a recommendation from the audit committee. | | ject to EU Public Procurement Regulations and, accordingly, to prohibition on negotiation. | | |