

Remuneration report

ATP's Supervisory Board and Board of Representatives have established a Pay Policy with rules governing remuneration and a number of associated disclosure obligations that resemble the rules applicable to the financial

PURPOSE OF ATP'S PAY POLICY

The overall purpose of the Pay Policy is to support ATP's vision of safeguarding the basic financial security for members in the longer term via, among other things, high returns and simple administration.

The Pay Policy also serves to support ATP's business model and commercial objectives, including making it possible, by means of a suitable remuneration structure, to attract and retain the best possible competencies on competitive terms of employment, so that ATP's ambitious, long-term performance targets can be achieved.

All members of ATP's Board of Representatives, Supervisory Board and Supervisory Board committee, the CEO and members of the Group Management as well as the Chief Actuary, the Chief Compliance Officer and the Chief Auditor receive fixed remuneration only. Members of the Group Management receive fixed remuneration, pension contribution of up to 18 per cent and a number of work-related employee benefits, including a company car.

Principal contents of severance schemes

Under their contracts, each member of the Group Management has 12 month's notice. The CEO (Chief Executive Officer) has 24 months' notice. In addition, when stepping down after 12 and 17 years there is, respectively, given 1 and 3 month's salary, though the termination period and any potential severance pay package can at most amount to 24 months of salary.

Remuneration and performance-related pay at ATP

There are two overall principles which ensure that determination of the performance-related pay programmes and the payment of performance-related pay are safely executed:

- No individual is involved in making recommendations or design of performance-related pay schemes appli-

cable to themselves.

- It is independently controlled that the programmes are managed in accordance with the determined frameworks.

ATP's Supervisory Board defines general frameworks for the performance-related pay schemes in ATP, including:

- Groups of employees who are included;
- Types of performance-related pay schemes;
- The expected value of the schemes at the time of allocation;
- The timeframe over which the various schemes are calculated;
- The maximum annual bonus for the various groups of employees.

The Supervisory Board has decided that ATP's CEO and Group Management, the Chief Actuary, Chief Risk Officer, Chief Internal Auditor, Chief Compliance Officer, Chief Operating Officer in Pensions & Investments, Head of Risk and Valuation Models, Head of the Pensions & Investments unit who are tasked with ensuring compliance with the limits for risk taking and the employees in Investments that have the power to make decisions on individual investments or who have a deciding influence on strategy investment decisions are to be classified as significant risk takers.

The Supervisory Board has also determined that the ceiling for variable pay elements for performance-related schemes cannot exceed 100 per cent of the base salary including pension contribution per year. The specific execution of frameworks will be determined by the CEO (Chief Executive Officer) and the CIO (Chief Investment Officer).

The remuneration structure consists of a fixed salary and potentially a performance-related pay component (performance-related pay) the purpose of which is to support business development via a focus on target and results management. In Pensions & Investments, Portfolio Managers in ATP's investment department (Investments) may be able to supplement their fixed salary with a performance-related bonus, and this extends also to investment specialists and employees of a range of ATP's subsidiaries.

Group Management remuneration in 2021

DKKm	2021	2020	2019	2018	2017
Group Management end of year 2021					
Bo Foged, CEO (Chief Executive Officer) ¹	7.3	7.6	6.9	4.6	4.1
Martin Præstegaard, Deputy CEO and Chief Financial Officer (CFO) ²	4.4	3.6	1.3	-	-
Mikkel Svenstrup, Chief Investment Officer (CIO) ³	4.3	3.3	-	-	-
Kim Kehlet Johansen, Executive Vice President, Pension, Risk Management & Compliance, Chief Risk Officer (CRO)	4.0	3.9	3.6	0.9	-
Carsten Bodal, Executive Vice President, Udbetaling Danmark	2.7	2.7	2.6	1.7	-
Anne Kristine Axelsson, Executive Vice President, Pension & Social Security	2.8	2.7	2.7	1.8	-
Departed Group Management end of year 2021					
Annemette Moesgaard, Executive Vice President, Communication & External Relations ⁴	3.7	2.0	1.9	1.9	1.5
Kasper Ahrndt Lorenzen, Chief Investment Officer ⁵	-	-	3.8	4.2	4.1
Christian Hyldahl, CEO (Chief Executive Officer) ⁶	-	-	(0.7)	13.9	6.8
Mads Smith Hansen, Executive Vice President, Chief Risk Officer ⁶	-	-	-	4.1	2.9
Lilian Mogensen, Executive Vice President, Processing Business ⁶	-	-	-	7.2	3.3
Dewi Dylander, Deputy Executive Director, Legal	-	-	-	0.7	1.4
Bård Grande, Chief HR Officer, ATP	-	-	-	0.8	0.3
Total Group Management ⁷	29.2	25.9	22.1	41.8	24.4

¹ CFO until 26 November 2018, Acting CEO (Chief Executive Officer) 26 November 2018 – 18 June 2019, CEO (Chief Executive Officer) 18 June 2019 – .

Remuneration to Bo Foged in 2020 includes 5 weeks' frozen holiday pay, of which 2 weeks were paid out in 2021.

² Started 1 September 2019

³ Started 1 March 2020

⁴ Departed 6 November 2021. Remuneration for 2021 includes compensation for release from notice.

⁵ Departed 31 August 2019

⁶ Remuneration for 2018 includes compensation for release from notice and/or severance pay. Remuneration for 2019 consists of refund of a sum of compensation for release from notice in connection with Christian Hyldahl taking up a new position in October 2019.

⁷ Group Management members received fixed remuneration, pension contributions, and a number of work-related employee benefits, including a company car. No Group Management receives any kind of variable pay or incentive scheme pay.

Group Management remuneration in 2021

Total Group Management remuneration for 2021 is DKK 29.2 million, an increase of DKK 3.3 million relative to 2020. The increase is mainly attributed to 2021 including a garden leave payment to Annemette Moesgaard and the fact that ATP's Chief Investment Officer began his job in March 2020 and thus only 10 months of remuneration is included for 2020.

Remuneration for CEO Bo Foged has decreased compared to 2020, which is due to frozen holiday pay in 2020.

Changes in the Group Management in 2021 only relate to Annemette Moesgaard stepping down on 6 November 2021.

CEO/Worker pay ratio¹					
	2021	2020²	2019	2018	2017
ATP Group, including business processing, external parties:					
CEO/Worker pay ratio for all employees	12	11	11	13	12
ATP Group, excluding business processing, external parties:					
CEO/Worker pay ratio for ATP Livslang Pension (Lifelong Pension)	8	8	8	9	9

¹ Definition: CEO remuneration divided by average remuneration per employee
² CEO/Worker pay ratio for 2020 is calculated exclusive of the CEO's frozen holiday pay

CEO/Worker pay ratio

The purpose of the key figure CEO/Worker pay ratio is to show the pay ratio between CEO and employees and to show the development in pay for the CEO compared to the employees.

In ATP, the ratio for 2021 is 12, meaning that the remuneration of the CEO corresponds to 12 times the average pay of all employees in ATP, not including Group Management. This includes employees carrying out administrative tasks for external parties.

This ratio increased from 11 in 2020 to 12 in 2021 due to ATP being given the contact tracing task in 2021, which resulted in a lower average pay in 2021. If the ratios are adjusted for the employees working with contact tracing, the ratio remains at 11 in 2021.

When considering ATP Livslang Pension (Lifelong Pension) and the associated employees in isolation, and in order for the ratio to be comparable to other pension funds, the ratio is 8, meaning that the remuneration of the CEO corresponds to 8 times the average pay of employees.

Significant risk takers					
DKKm	2021	2020	2019	2018	2017
Fixed remuneration	96.2	86.1	75.4	76.8	68.9
Variable remuneration	13.3	9.9	8.1	6.0	11.7
Variable remuneration, adjustment prior year	0.1	0.2	0.4	-0.6	0.1
Total remuneration	109.6	96.2	83.9	82.2	80.7
Number of recipients of fixed salary	52	46	43	46	46
Of which recipients of variable salary	28	24	21	23	21

Significant risk takers

Variable pay consists of variable pay during the financial year and provisional bonus by the end of the financial year. Final bonus determination is not performed until Q1 of the following

financial year. The difference between provisional bonus and final bonus is recognised under "Variable remuneration, adjustment prior year".

Remuneration paid to ATP's Supervisory Board and Board of Representatives

DKKm	2021	2020	2019	2018	2017
Total remuneration for the ATP Supervisory Board	2.1	2.1	2.1	2.0	2.1
Total remuneration for ATP's Board of Representatives	0.3	0.2	0.2	0.2	0.2
Total remuneration for ATP's Executive Committee	0.3	0.3	0.3	0.2	0.2
Total remuneration for the ATP Audit Committee	0.3	0.2	0.3	0.2	0.2
Total remuneration paid to the ATP Risk Committee	0.3	0.2	0.3	0.2	0.2
Annual remuneration in DKK '000 for:					
Chairman of the Supervisory Board (total remuneration)	802	785	768	715	715
Member of the Executive Committee	90	88	86	80	80
Member of the Supervisory Board (including remuneration for the Board of Representatives)	135	132	129	120	120
Member of the Board of Representatives	15	14	14	13	13
Chairman of the Audit Committee	88	86	84	60	60
Member of the Audit Committee	67	66	64	60	60
Member of the Risk Committee	67	66	64	60	60

Remuneration for the ATP Supervisory Board

DKK '000	Supervisory Board	Executive Committee	Audit Committee	Risk Committee	Total 2021	2020	2019	2018	2017
Chairman of the Supervisory Board:									
Board:									
Torben M. Andersen	578	90	67	67	802	785	768	643	-
Jørgen Søndergaard	-	-	-	-	-	-	-	74	715
Employer representatives:									
Jacob Holbraad ¹	135	90	70	-	294	298	279	260	260
Lars Sandahl Sørensen	135	-	-	-	135	132	47	-	-
Peter Rahbæk Juel	135	-	-	-	135	132	96	-	-
Anne Broeng	135	-	-	67	202	198	193	180	180
Brian Mikkelsen	135	-	-	-	135	99	-	-	-
Vibeke Krag ²	135	-	-	67	202	33	-	-	-
Torben Dalby Larsen	-	-	-	-	-	33	129	120	120
Kim Graugaard	-	-	-	-	-	-	80	120	120
Anne Jæger	-	-	-	-	-	118	268	180	180
Martin Damm	-	-	-	-	-	-	32	90	-
Bent Hansen	-	-	-	-	-	-	-	30	120
Employee representatives:									
Lizette Risgaard	135	90	67	-	292	285	279	260	260
Arne Grevsen ³	67	-	-	-	67	132	129	120	120
Bente Sorgenfrey	135	-	-	-	135	132	129	120	120
Jonas Schytz Juul ⁴	45	-	-	-	45	-	-	-	-
Kim Simonsen ⁵	112	-	-	-	112	132	129	120	120
Lars Qvistgaard	135	-	-	-	135	132	129	120	120
Jan Walther Andersen ⁶	135	-	77	67	279	198	193	180	180
Total	2,148	269	281	269	2,968	2,837	2,876	2,617	2,615

¹ Chairman of the Audit Committee up until 15 February 2021

² Joined 1 January 2021

³ Left 30 June 2021

⁴ Joined 1 September 2021

⁵ Left 31 October 2021

⁶ Appointed as Chairman of the Audit Committee on 15 February 2021