

Remuneration Committee Report 2017/18

The Remuneration Committee works according to an Annual Wheel with fixed agenda items.

In 2017/18 the Remuneration Committee held four meetings. The three members attended all the committee meetings within their term in 2017/18. The committee dealt with the following main matters:

Remuneration Policy and Incentive Guidelines for the members of the Board of Directors and the Executive Board

- Reviewed and recommended to the Board to keep the Remuneration policy and Incentive Guidelines unchanged.

Remuneration of the members of the Board of Directors and its committees

- Reviewed Danish and international benchmark data on Board and committee remuneration and recommended to the Board of Directors the remuneration levels and travel allowance to be approved by the Annual General Meeting.

Remuneration of the members of the Executive Board and Corporate Leadership Team (CLT)

- Reviewed Danish and international peer group benchmark data on executive remuneration. Recommended changes to the Board on annual base salary, in line with remuneration strategy, and compa-ratio linked to peer group data, for changes in FY19.
- Reviewed a redesign of the Restricted Share Unit (RSU) component of the current short-term incentive (STI) program and recommended a new design of the STI program to the Board.
- Reviewed and recommended the STI targets for FY18 and proposed STI payout for FY17 to the Board.
- Reviewed the long-term incentive (LTI) targets for FY18 and proposed LTI payout for FY17 to the Board.

Reporting on Remuneration of the Board of Directors and Executive Board

- Reviewed and endorsed description of remuneration matters in the Annual Report.

Remuneration Committee matters and governance

- Reviewed and approved the Annual Wheel for 2017/18.
- Conducted a self-assessment, including a review of the Remuneration Committee Charter.
- Conducted private meetings without the Executive Board being present.
- Approved a report on the committee's activities in 2017/18.