

## **General guidelines for incentive pay to the Board of Directors and the Management Board of Athena Investments A/S (hereinafter referred to as “Athena”)**

### **1. Background and scope**

#### **Board of Directors**

The Board of Directors of Athena does not receive incentive pay.

#### **Management Board**

The general guidelines for incentive pay with respect to members of the Management Board have been defined by the Board of Directors of Athena pursuant to section 139 of the Danish Companies Act. The guidelines must be considered and approved by the company’s shareholders at the annual general meeting.

The guidelines apply to members of the Management Board of Athena, defined as the individuals from time to time registered with the Danish Commerce and Companies Agency as members of the Management Board of Athena (in the following referred to as the “Management Board members” or the “Management Board”). The guidelines apply to the remuneration received by the Management Board members for work performed for Athena as well as for other companies controlled by Athena (in the following referred to as the “Athena Group”).

Overall, incentive pay to the Management Board members is used to ensure optimum incentives to achieve a good performance for the company in the short as well as the longer term, including to ensure that the Management Board members focus on increased value creation.

The Board of Directors has opted to use only well-known and transparent types of remuneration to ensure maximum openness with respect to incentive pay.

Specific incentive pay agreements made with individual Management Board members after adoption of these guidelines will be subject to the guidelines. The Board of Directors emphasises openness with respect to the Management Board’s remuneration, and the specific remuneration to each Management Board member broken down on incentive elements used will be disclosed in the annual report for the following year.

The amount and composition of the incentive pay for each Management Board member will depend on a number of factors, including the overall performance of the Athena Group. Other factors include the individual efforts and performance of each Management Board member in the areas for which the Management Board member is responsible.

When defining specific bonus and option programmes, the Board of Directors must ensure that their contents, including the specific benchmarks, do not create incentives for the Management Board that are not aligned with the interests of Athena.

### **2. Performance-related bonus – variable salary**

The Board of Directors may grant the individual Management Board members an annual bonus. The maximum value of the bonus is equal to the full amount of the fixed annual salary including pension in the year of grant.

The amount of the annual bonus is subject to the Management Board member achieving a number of pre-defined clear targets. The assessment of whether the individual Management Board member has achieved these targets includes the overall performance of the Athena Group. Other factors include the individual efforts and performance of each Management Board member in the areas for which the Management Board member is responsible.

The benchmarks reflect the strategic focus areas of the Group and the individual business areas, and may include growth, profitability, cost reduction, customer satisfaction, customer loyalty, image, processes, communication, employee satisfaction and development, and innovation.

In addition, the Board of Directors may resolve to offer the Management Board extraordinary bonus programmes and/or performance-related contracts. Such programmes may have a term of one year, and bonus may be triggered by the occurrence of a specific event. The value of such extraordinary bonus programmes and/or performance-related contracts may not exceed 50% of the Management Board member's fixed annual salary including pension for each financial year.

The Board of Directors may resolve to implement the above bonus grants by offering the Management Board member shares in Athena at a discount to the market price for a limited period of time in the year of grant against payment of an amount determined by the Board of Directors. The Board of Directors may also resolve to give the individual Management Board member the option of receiving the amount in cash.

The Board of Directors may elect to grant shares at a discount to the market price pursuant to section 7P of the Danish Tax Assessment Act which means that the Management Board member's gain is taxed at the lowest possible rate and that the costs of the grant are non-deductible for the company. If section 7P of the Danish Tax Assessment Act is not applied, tax will be charged pursuant to section 28 of the Danish Tax Assessment Act which gives deductibility to the company.

### **3. Options**

The Board of Directors may once a year grant the individual Management Board members options to purchase or subscribe shares (warrants) in Athena.

Such grants are made taking into consideration the Management Board member's position and responsibilities, as well as for considerations of loyalty and motivation.

The estimated present value of the options granted may not exceed 50% of the Management Board member's fixed annual salary including pension at the time of grant for each financial year. The estimated present value of the options is calculated using the Black & Scholes model and in accordance with the calculation methods used in the International Financial Reporting Standards (IFRS).

At the time of grant, the exercise price for the options may not be lower than the market price at the time of grant.

Options cannot be exercised earlier than two years after the date of grant and not later than five years after the date of grant. The Board of Directors may fix a shorter exercise period. Exercise must take place during the open trading windows in connection with interim and full-year profit announcements for Athena.

In the event that the Management Board member terminates his or her employment and such termination is not due to material breach on the part of the Athena Group, in the event that the Athena Group terminates the Management Board member due to breach, or in the event of the Athena Group's summary dismissal for cause of the Management Board member, any options remaining unexercised at the time of severance of service will lapse. Such options lapse automatically without notice at the time of severance of the Management Board member's service, unless otherwise agreed in writing.

The Board of Directors may elect to grant options pursuant to section 7P of the Danish Tax Assessment Act which means that the Management Board member's gain is taxed at the lowest possible rate and that the costs of the grant are non-deductible for the company. If section 7P of the Danish Tax Assessment Act is not applied, tax will be charged pursuant to section 28 of the Danish Tax Assessment Act which gives deductibility to the company.

#### **4. Employee programmes**

The Board of Directors may resolve that, on a par with other employees, Management Board members may receive employee shares, employee bonds or other general employee bonus programmes offered to the employees of the Athena Group as a general programme under certain defined criteria. The value of such programmes may not exceed the defined limits for such tax-free grants from time to time.

#### **5. Shares for the programmes**

Shares for the programmes described in 2 – 4 above may be obtained from share buybacks or from Athena's treasury share portfolio.

Shares for the programmes described in 4 above may also be obtained by utilising the authorisation in the articles of association for the Board of Directors to increase the share capital by issuing new shares.

#### **6. Effective date, publication and amendment of guidelines**

These guidelines were approved by the shareholders at the annual general meeting of Athena held on 23 April 2019.

At the same time, the following article 19 was inserted in the articles of association of Athena: "The Company has adopted guidelines for incentive pay to members of the Board of Directors and the Management Board. The guidelines have been considered and approved by the shareholders at the Annual General Meeting of the Company held on 23 April 2019 and are available at the Company's website."

The guidelines will be posted at Athena's website without undue delay after the general meeting at which they were approved.

Specific agreements on incentive pay with the Management Board can at the earliest be concluded the day after posting of the approved guidelines on Athena's website.

Specific agreements for incentive pay with the Management Board introduced, changed or extended after the annual general meeting of the company on 23 April 2019 must comply with the requirements of these guidelines. If the Board of Directors of Athena wishes to introduce, change or extend incentive pay programmes that cannot be comprised within the scope of the existing guidelines, the Board of Directors must obtain prior approval from the shareholders to change the existing guidelines for incentive pay.

Adopted at the meeting of the Board of Directors held on 26 March 2019.

The Board of Directors of Athena Investments A/S:

Peter Høstgaard-Jensen

Sigieri Diaz della Vittoria  
Pallavicini

\_\_\_\_\_

\_\_\_\_\_

Michèle Bellon

Jean-Marc Janailhac

Valerio Andreoli Bonazzi

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_