

Remuneration Policy

March 2020



INTRODUCTION

This remuneration policy ("Policy") describes the principles for the remuneration of the members of the Board of Directors and of the members of the Management Board of Athena Investments A/S ("Athena") registered at any time with the Danish Business Authority. This Policy has been drawn up in accordance with section 139 and 139a of the Danish Companies Act and replaces the existing "General guidelines for incentive pay to the Board of Directors and the Management Board of Athena Investments A/S". This Policy shall be presented to the shareholders for approval at the annual general meeting in 2020. Thereafter, the Policy will be submitted to the shareholders for re-approval every four years or sooner if material changes to the Policy are proposed.

Agreements for remuneration entered into prior to the adoption of this Policy may continue on the terms agreed.

OBJECTIVES

The overall objectives of this Policy are to set out a framework for remuneration that:

- is clear and understandable and contributes to Athena's business strategy, long-term interests and sustainability;
- attracts, motivates and retains qualified members of the Board of Directors and of the Management;
- ensures alignment of the Board of Directors' and of the Management Board's interests with the interests of Athena, its shareholders and other stakeholders; and
- provides transparency to Athena's shareholders and ensures shareholder influence.

Athena considers that the remuneration components, remuneration levels and the remuneration split set out in the Policy will ensure these objectives.

REMUNERATION OF THE BOARD OF DIRECTORS

The members of the Board of Directors of Athena receive a fixed annual fee. The fee structure is divided into three levels reflecting the board functions: chairman, vice chairman and ordinary board member. No additional compensation is awarded for committee work.

The Board of Directors does not receive any incentive-based remuneration.

Board members are reimbursed for travel, accommodation, training and similar costs in relation to Board activities.

In addition, members of the Board of Directors may receive additional remuneration for operational tasks carried out on an ad hoc basis outside the scope of the ordinary duties of the Board of Directors. In each such case the Board of Directors shall determine a fixed fee for the work carried out related to those tasks. The fixed fee shall be disclosed in the annual report and/or remuneration report.

Members of the Board of Directors elected by the general meeting are elected for a term of one year and are eligible for re-election.

The remuneration of the Board of Directors for the current financial year must be approved at the Company's annual general meeting in connection with the adoption of the annual report.

The principles applied for remuneration of the Board of Directors ensure that the Board of Directors safeguards the Company's long-term interests without taking consideration to any potential effect to the value of an incentive-based remuneration. The purpose of the remuneration structure is to attract and retain members of the Board of Directors with the desired qualifications. The fee is set at a level that conforms to the market and reflects the competencies and efforts required of the role, given the scope of the work and the number of Board meetings.

REMUNERATION OF THE MANAGEMENT BOARD

Remuneration for the Management Board may consist of the following components: Fixed base salary, benefits, as well as variable remuneration in the form of cash-based bonus and share-based remuneration.

The combination of fixed and incentive-based remuneration elements has been chosen to support the objectives of the Remuneration Policy. The balance between the fixed and variable remuneration elements granted to each member of the Management Board is targeted to be broadly in line with market practice for benchmarked companies.

Fixed salary and benefits

The fixed salary and benefits are primarily intended to offer the individual member of the Management Board a balanced overall remuneration package in order to attract and retain members with the desired qualifications.

In addition to usual perquisites such as company car, laptop, mobile phone, etc., members of the Management Board may receive a range of other benefits which may include commuting allowances and health insurance. Other benefits may amount to up to 20% of the fixed annual gross salary.

Variable remuneration

Overall, incentive remuneration 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 and the sustainability of the Company. Particularly share based remuneration is intended to promote the achievement of long-term goals and business strategies and to maximise the alignment with shareholder value and thereby support financial sustainability.

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 and achievement of a number of pre-defined clear targets. 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 targets reflect the strategic focus areas of the Group and the individual business areas, and may include growth, profitability, cost reduction, image, processes, communication, employee satisfaction and development, corporate responsibility aspects and innovation. At the end of the performance period, the overall achievement is determined by the Board of Directors based on the most recent audited accounts and relevant internal measures.

The variable remuneration is not subject to specific clawback provisions, but the Company is entitled to reclaim in full or in part variable remuneration, on the basis of generally applicable principles of Danish law, which the Company considers to be sufficient in such cases.

Performance-related bonus

The Board of Directors may grant the individual Management Board members an annual cash bonus. The maximum value of the bonus is equal to 100% of the fixed annual gross salary in the year of grant.

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 or achievement of a defined target, cf. above. The value of such extraordinary bonus programmes and/or performance-related contracts may not exceed 50% of the Management Board member's fixed annual gross salary for each financial year.

The Board of Directors may resolve to settle the above bonus grants by offering the Management Board member shares in Athena at a discount to the closing 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.

Share-based remuneration – Warrants

The Board of Directors may once a year grant the individual Management Board members options to purchase or subscribe shares (warrants) in Athena. The estimated present value of the options granted may for each financial year not exceed 50% of the Management Board member's fixed annual gross salary at the time of grant. 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). 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.

Warrants are with certain good leaver exemptions subject to continuous service by the member of the Management Board.

TERM AND TERMINATION OF EMPLOYMENT

The members of the Management Board are employed for an indefinite period but with a mutual right of termination. The members of the Management Board are entitled to be given 18 months' notice by the Company and are required to give the Company 6 months' notice.

No supplementary pension or early retirement schemes are available.

DEVIATION FROM THE REMUNERATION POLICY

The Board of Directors may in extraordinary circumstances, in which it is deemed necessary to serve the interests of Athena, including in particular for recruitment or retention purposes, decide to award a one-off bonus or other extraordinary incentive-based remuneration such as a sign-on bonus, retention bonus or other schemes. Such awards may consist of cash or share-based remuneration. Any deviations must be decided by the Board of Directors.

PREPARATION, IMPLEMENTATION AND REVIEW OF THE POLICY

This Policy, including any amendments to it, has been prepared, reviewed and approved by the Board of Directors. The Policy must be reviewed as often as is relevant, but every fourth year as a minimum. The Management Board does not have any decision-making power with respect to the determination of the remuneration Policy.

The Board assesses that conflicts of interest in connection with the determination of the Policy are minimised and managed. This assessment is based on the fact that (1) the members of the Management Board are not involved in the determination of their own remuneration and (2) the remuneration of the Management Board is determined by the Board of Directors and the remuneration of the Board of Directors as well as the Remuneration Policy is subject to approval by the Company's shareholders at the general meeting.

The Remuneration Policy has been carefully considered to ensure that the remuneration of the Board of Directors and the Management Board reflects the responsibilities and skills required of each role relative to comparable companies, as well as to other positions in the Company. These are the same general principles as applied when making remuneration decisions for all employees of the Company by seeking to align pay levels, structures and employment terms with relevant market conditions.

APPROVAL AND PUBLICATION

Subject to adoption at Athena's annual general meeting on 23 April 2020, the Policy will be published as soon as possible on Athena's website (www.athenainvestments.com). The Policy will be presented to the General Meeting at least every fourth (4) year and upon material amendments to the Policy. Athena will prepare a remuneration report in accordance with applicable legislation.