REMUNERATION POLICY

of the following financial enterprises of the Alm. Brand Group:

Alm. Brand af 1792 fmba
Alm. Brand A/S
Alm. Brand Forsikring A/S
Alm. Brand Bank A/S
Alm. Brand Liv og Pension A/S

Applicable as from approval at the companies' next meeting of the committee of representatives and annual general meetings in 2018, respectively.

Remuneration policy of the financial enterprises of Alm. Brand

The financial enterprises of the Alm. Brand Group comprise:
Alm. Brand af 1792 fmba
Alm. Brand A/S
Alm. Brand Forsikring A/S
Alm. Brand Bank A/S
Alm. Brand Liv og Pension A/S.

1. Background and purpose

The purpose of this remuneration policy is to ensure that the remuneration principles and practices at Alm. Brand comply with the rules on remuneration and remuneration policy in financial enterprises.

The remuneration policy is structured on the basis of an overall assessment of the size of the company, its organisation and the scope and complexity of its activities. The purpose is to have a remuneration policy which is consistent with and promotes sound and efficient risk management, and which is aligned with the company's strategy, values and goals and the interests of customers and investors.

2. Eligible individuals

This remuneration policy comprises managers, employees and members of the management board and the board of directors of the individual enterprises comprised by the remuneration policy.

Special rules have been laid down for the remuneration of members of the board of directors and the management board, other managers and employees whose activities have a material impact on the group's and the individual companies' risk profiles ("risk takers") as well as employees performing control, auditing or actuarial functions. Finally, the remuneration policy comprises special rules for employees engaged in advisory services and provision to consumers of credit secured against real estate and employees who, through direct customer contact, are involved in providing sales and/or advisory services concerning financial instruments to retail customers.

Delimitation of risk takers
At least once annually, the board of directors will consider which managers and employees should be comprised by the definition of risk takers.

The assessment is made on the basis of the regulations applicable from time to time in the area, currently:

- For Alm. Brand 1792 fmba, Alm. Brand A/S and Alm. Brand Bank A/S:
    - The Danish Financial Business Act (the "FBA") and related executive orders
    - Commission Delegated Regulation (EU) no. 604/2014 on identification of risk takers (the "Regulation"). The companies have based the identification of eligible risk takers on the considerations and criteria set out in the Regulation.

- For Alm. Brand Forsikring A/S and Alm. Brand Liv og Pension A/S:
    - Commission Delegated Regulation (EU) no. 2015/35 and related executive orders.

In delimiting which positions have a material impact on the company's risk profile, special weight will generally be attached to:

- The authority and/or lending authority conferred on the individual employees, as such employees are believed to be able to expose the company to financial risk, and such risk may be deemed to be of a material nature; and

- The leading role of the relevant employee in control or risk-mitigating functions.

General aspects of the delimitation of risk takers
Irrespective of whether a management board member or another identified risk taker performs tasks for several companies of the group but is only deemed to have a material impact on the risk profile of one of the group companies, the full employment relationship of that individual will be subject to the remuneration policy's rules on risk takers.

Other special functions, see clause 8 below
Employees performing auditing, control or actuarial functions are comprised by the rules on other special functions, see clause 8.1 below.

Manager and employees who, through direct customer contact for the bank, sell or provide advisory services related to financial instruments to customers who are not professional customers or approved counterparties are also comprised by this remuneration policy with respect to the structure of a bonus scheme, if any, see clause 8.2. below.

Manager and employees engaged in advisory services and provision to consumers of credit secured against real estate are also comprised by this remuneration policy with respect to the structure of a bonus scheme, if any, see clause 8.3 below.

Managers and employees who are comprised by the above special functions may also assume a risk-taker function.

A list of designated risk taker positions and positions comprised by other special functions is available from the Human Resources department.

3. General aspects of remuneration of all employees and members of the board of directors and the management board

The basic principles and practices generally applicable to the determination of remuneration in Alm. Brand are:

- that all employees are remunerated by way of a salary which is intended to be commensurate with the tasks to be performed and the responsibilities involved in the position. Moreover, the salary is intended to be competitive with the remuneration of other, comparable positions in the financial sector;

- that the remuneration is structured so as to support a balanced, sustainable and long-term interest in the companies' and the group's continued performance and growth;

- that the remuneration is composed and structured so as to promote sound and efficient risk management and so as not to encourage excessive risk taking;

- that the remuneration must be structured in manner which is not contrary to the best interests of the customers;

- that the remuneration must not be solely or predominantly based on quantitative commercial targets and must in all respects take fully into account any appropriate qualitative targets having regard to a fair and lawful treatment of customers and the quality of services provided; and

- that, having due regard to compliance with the remuneration policy, remuneration must be structured so as to support Alm. Brand's strategy, Alm. Brand for the Customer.

Remuneration determined by collective agreement
As regards the majority of both managers and employees, the terms of employment are governed by collective agreements. These collective agreements comprise terms of remuneration, including provisions governing pension and social issues. Such remunerations comprised by collective agreements which consist of fixed and variable remuneration are not comprised by this remuneration policy.

Salary components
The salary components are determined in accordance with the overall basic principles of remuneration.

- Fixed salary
  The fixed remuneration consists of an appropriate fixed salary and related salary components such as pension, insurance schemes, etc. in accordance with the frameworks determined by the collective agreements. Moreover, employees and managers may, depending on their position and professional requirements, be awarded other appropriate salary accessories such as telephone and company car. The fixed salary must be determined so as to ensure that, irrespective of any supplementary variable remuneration, it is reasonable relative to the responsibilities and tasks involved in the position. In general, any supplementary variable remuneration may make up only a small part of the total salary.

- Variable salary
  The basic principle of and practice applied in relation to variable remuneration not governed by a collective agreement is that the variable remuneration is awarded for an extraordinary, major effort or, in accordance with the basic principles of remuneration in Alm. Brand, for a results-driven performance exceeding what can be expected relative to the targets defined.

  Transparency is a requirement in the determination of variable remuneration. Any variable salary component is determined so that the matter for which the variable salary component is awarded is known to both the company and the employee.

  Variable salary payable to managers and employees who do not hold a position qualifying them as material risk takers will be paid in cash and without any postponement.

4. Remuneration of board members
As part of the companies' annual reports, the board remuneration paid for the recently ended financial year is approved annually by shareholders at the annual general meeting or by the committee of representatives in the case of Alm. Brand af 1792 fmba.

Board members only receive a fixed remuneration in the form of a non-pensionable fee.

Board members are not eligible for any variable remuneration or participation in any incentive programme.

The remuneration paid to board members is intended to reflect the scope of the board work and the responsibility related to serving on the board.

Furthermore, the group seeks to ensure that the board remuneration is consistent with the market level for peer companies as reflected in publicly available surveys.

5. Remuneration of management board members
The remuneration of management board members is determined by the board of directors.

The boards of directors of Alm. Brand Forsikring A/S and Alm. Brand Liv og Pension A/S have delegated this authority to their chairmen.

Fixed salary
Management board members of Alm. Brand A/S and other companies receive a fixed basic salary which is intended to be commensurate with the tasks to be performed and the individual member's responsibility and to be competitive with the remuneration of other, comparable positions in the financial sector. In addition to this salary, the companies provide pension contributions, and the remuneration also includes a company car of an appropriate size, free telephone and other customary salary components (health insurance, health examinations and alarms).
Agreements may be concluded between the individual companies and the management board member that up to 10% of the salary may be allotted by way of shares in Alm. Brand A/S.

The remuneration of management board members is adjusted every two years.

For share option agreements concluded before 17 December 2014, transitional scheme.
Alm. Brand A/S and the management board of Alm. Brand A/S and other companies and their management board have concluded agreements before 17 December 2014 which stipulate that a fixed part of the fixed basic salary will be paid by way of share options.

The part of the fixed salary (excluding pension and other salary components) payable by way of share options totals 13%.

The agreements on the award of share options expired at the end of March 2016, after which they will not be renewed as fixed salary agreements.

6. Remuneration of risk takers
The immediate superior will determine the salary for each individual risk taker.

6.1. Risk takers who are also members of Alm. Brand's group coordination team ("ABKO")

Fixed salary
Risk takers who are also members of ABKO receive a fixed basic salary which is intended to be commensurate with the tasks to be performed and the risk taker's responsibility and to be competitive with the remuneration of other, comparable positions in the financial sector. In addition to this salary, the companies provide pension contributions, and the remuneration also includes a company car of an appropriate size, free telephone and other customary salary components (health insurance, health examinations and alarms). Agreements may be concluded between the individual companies and the individual risk taker that up to 10% of the salary may be allotted by way of shares in Alm. Brand A/S.

The remuneration is adjusted every two years.

For share option agreements concluded before 17 December 2014, transitional scheme.
The companies and their risk takers have concluded agreements before 17 December 2014 which stipulate that a fixed part of the fixed basic salary will be paid by way of share options.
The part of the fixed salary (excluding pension and other salary components) payable by way of share options totals 13%.

The agreements on the award of share options expired at the end of March 2016, after which they will not be renewed as fixed salary agreements.

6.2. Other risk takers
Fixed salary
Other risk takers receive appropriate fixed remuneration in the form of a fixed salary and various ancillary salary components such as pension, insurance schemes, etc. The salary is intended to be commensurate with the tasks to be performed and the risk taker's responsibility and to be competitive with the remuneration of other, comparable positions in the financial sector. Agreements may be concluded between the individual companies and the individual risk taker that up to 10% of the salary may be allotted by way of shares in Alm. Brand A/S.

Variable salary
Agreements on variable salary may be concluded between the management board of the individual companies and risk takers who are not members of ABKO if the management board of the relevant company deems that a variable salary scheme is well suited to promote a balanced, sustainable and long-term interest in the company's and the group's continued performance and growth in accordance with the basic principles of remuneration set out in clause 3 above.

If an agreement on variable salary has been concluded, the variable salary will be granted subject to satisfaction of pre-defined criteria. The criteria are defined by the management board based on the companies' circumstances and financial position and with due consideration to the rules and restrictions of the regulations applicable from time to time in the area. The criteria as to how variable salary is earned and determined may be financial as well as non-financial and comprise requirements as to the risk taker's own actions, performance and results, the department's results and the company's results.

Variable salary is granted and subsequently transferred in accordance with the rules applicable from time to time for the granting of variable salary, and the individual agreements with each of the risk takers thus contain the conditions for granting and final transfer of variable salary components set out in the regulations applicable from time to time. The agreements include the regulatory conditions for granting and transfer of granted variable salary in case of non-compliance with capital or solvency requirements and claw-back provisions subject to repayment conditions.

At the time of granting of a variable salary component, 50% of the variable salary will be in the form of shares issued by Alm. Brand A/S, whereas 50% will be in the form of cash.

Provided the criteria defined for granting of the variable salary have been satisfied in whole or in part, 60% of the variable salary component will be transferred to the risk taker in connection with the grant. The remaining variable salary granted will be postponed for transfer in equal portions over the next three years, provided the criteria defined for the grant were satisfied at the time of granting and provided other conditions set out in the regulations on transfer applicable from time to time have been satisfied, including that the risk taker has not participated in or been responsible for a conduct which has resulted in substantial losses for the Alm. Brand Group, that the risk taker has complied with appropriate requirements of suitability and honesty, and that the financial position of the relevant company of the Alm. Brand Group has not been substantially impaired compared with the time of granting of the variable salary.

If the amount of the variable salary component granted is substantial, only 40% of the variable salary component granted will be transferred in connection with grant, whereas the remaining part will be postponed and transferred in equal portions over the next three years. The management board will assess on a case-by-case basis whether a variable salary granted is deemed to constitute a substantial amount. As a minimum, this will be the case if the total variable salary granted exceeds DKK 750,000.

For six months after the transfer of the granted shares to the risk taker, the risk taker may not deal with these, including sell them or in any way hedge the price risk associated with the shares.

The variable salary granted cannot exceed the total fixed annual salary of the risk taker.

7. One-off fees

In exceptional cases, one-off fees may be awarded in accordance with the rules on remuneration. A one-off fee of an appropriate amount may only be awarded if the executive officer or the risk taker in question has been subject to extraordinary work-related strain for a period of time due to the nature of the work. A one-off fee may not exceed DKK 100,000 p.a.

An executive officer or a risk taker may only receive one-off fees if the sum of the one-off fee and any other variable salary granted does not exceed DKK 100,000 p.a. One-off fees may only be awarded to an executive officer by resolution of the company's board of directors. One-off fees may only be awarded to a risk taker by resolution of the company's management board.

One-off fees will only be awarded if the board of directors or the management board deems that it is appropriate to award the one-off fee without complying with the rules on postponement and retention applicable from time to time.
The reasons of the board of directors or the management board, respectively, for disbursing one-off fees must be provided in writing along with a description of the considerations underlying the decision to exempt the one-off fee from the requirements of the regulations applicable from time to time and the appropriateness thereof.

Any decision to award a one-off fee will be subject to section 139 of the Danish Companies Act. A one-off fee to members of the management board of Alm. Brand A/S is subject to prior approval by the shareholders in general meeting.

8. Remuneration of employees in special functions

Special rules apply to the structure of any variable salary to employees comprised by the rules set out in this clause (clause 8). Some of the employees comprised by this clause may also be risk takers. For employees who are comprised by both the rules on risk takers and the rules on employees in special functions, the salary must comply with the provisions of both sets of rules.

8.1. Employees working in control, auditing or actuarial functions.
The immediate superior will determine the salary for each individual employee.

Fixed salary
Employees working in control, auditing or actuarial functions are remunerated by way of a fixed salary and various ancillary salary components such as pension, insurance schemes, etc.

Variable salary
Employees involved in control, auditing or actuarial functions may be remunerated by way of appropriate variable salary in addition to the fixed salary. However, the variable salary may not be dependent on the performance of the department(s) in which the employees in question have a control function.

Actuaries employed in the companies' individual actuarial departments may be remunerated by way of appropriate variable salary in addition to the fixed salary. In such case, the variable salary will depend on the employee's role. However, the variable salary may not be dependent on the department's performance.

8.*2. Employees who provide advisory services and/or sell financial banking products to retail customers*
The immediate superior will determine the salary for each individual employee.

Employees who sell or provide advisory services concerning financial instruments comprised by Annex 5 to the FBA and others (see the FBA) may not receive variable salary components which are subject to the attainment of a sales target defining a sales volume of financial instruments to be achieved in relation to retail customers.

Employees who sell or provide advisory services concerning financial instruments to retail customers are remunerated by way of an appropriate fixed remuneration in the form of a fixed salary and various ancillary salary components such as pension, insurance schemes, etc. and may in addition to their fixed salary be remunerated by way of an appropriate salary, provided the structure of the variable salary complies with the following requirements:

Criteria for attainment of variable salary must be determined so as to ensure that eligibility for the variable salary component is not dependent on the employee's attainment of a sales target defining a sales volume of financial instruments to be achieved in relation to retail customers (see the FBA).

8.*3. Employees engaged in advisory services and/or provision to consumers of credit secured against real estate.*
The immediate superior will determine the salary for each individual employee. The salary will be determined in such a way that it solely promotes, and does not hamper, the employee's interest in acting honestly and in accordance with the customers' best interest.

Employees engaged in advisory services and/or provision to consumers of credit secured against real estate are remunerated in a way that is independent of the number or proportion of home credit applications granted by the employee or the immediate department. A consumer is defined a person who in receiving advice on loans is acting primarily outside his business occupation.

9. Sign-on bonuses
In connection with the employment of executive officers and other risk takers, the companies and the relevant executive officers or risk takers, respectively, may conclude an agreement on the granting of sign-on bonuses. Sign-on bonus agreements will only be concluded if it is assessed that the agreement will support the company's growth.

Sign-on bonus agreements may only be made if the sign-on bonus meets the following criteria:

- The sign-on bonus agreement is concluded in connection with the appointment of the executive officer or the risk taker, respectively, to a position with the Alm. Brand Group;

- The sign-on bonus agreement concerns only the first year of employment;

- The sign-on bonus may not exceed an amount equivalent to one year's total remuneration; and

- The company in which the executive officer or the risk taker is employed has a healthy and solid capital base on the date of granting of the sign-on bonus.

10. Pension benefits
Management board members, risk takers and employees in special functions participate in ordinary defined contribution plans. No grants are made of pension benefits which are wholly or partly comparable with variable salary.

11. Guidelines for severance pay
Termination notice
A mutual notice of termination of 12 months has been agreed between Alm. Brand A/S and the members of its management board.

The other companies and their management board members have agreed on a notice of termination of 12 months on the part of the company and a notice of termination of six months on the part of the executive officer.

As regards the companies' risk takers, the notices of termination agreed upon vary. However, the maximum length of notice is equivalent to that agreed between the companies and the management board.

Severance pay
In connection with severance of service, agreements may be made on severance pay for amounts of up to 12 months' remuneration. On employment, agreements may be made for severance pay for amounts of up to 24 months' remuneration. See the regulations on remuneration applicable from time to time.
The general rule is that no agreements are made on severance pay on employment of managers or risk takers or in connection with their severance of service.

There are currently a few agreements on severance pay made between the companies and management board members or risk takers on employment, whereby the management board member or risk taker, as the case may be, is entitled to severance pay equivalent to up to 24 months' remuneration in the event of severance of service as a result of termination by the company.

If the employment relationship is terminated due to material breach by a management board member or a risk taker, no severance pay will be paid.

No agreements on severance pay are made between the companies and the individual boards of directors.

12. Remuneration committees, boards of directors and control etc.
The boards of directors of Alm. Brand A/S and Alm. Brand Forsikring A/S will each set up a remuneration committee.
The remuneration committees are set up in accordance with the regulations applicable from time to time. The committees perform the following tasks, which are specified in a set of rules of procedure:

- to recommend the remuneration policy for the board of directors, management board and other significant risk takers for approval by the board of directors;

- to make proposals to the board of directors on the remuneration to board members and management board members and ensure that such proposals are in compliance with the company's remuneration policy and the assessment of the performance of the individuals concerned;

- to monitor the remuneration of the management of the Risk Management department, the head of the Compliance function and the Group Chief Auditor; and

- to monitor that information in the annual report on the remuneration of the board of directors and management board is correct, true and adequate.

In the companies which have not set up a remuneration committee, the individual boards of directors are responsible for overseeing compliance with the remuneration policy. This implies that remuneration of the management of Risk Management, the head of the Compliance function and the Group Chief Auditor is correct and in accordance with the provisions of the remuneration policy.

On behalf of the individual boards of directors, Human Resources will perform controls to ensure that salary transfers are in accordance with the remuneration policy.

Guidelines for the individual boards of directors' review of the remuneration policy with a view to ensuring that it is aligned with developments in the individual companies are available from Human Resources. Guidelines for the control and monitoring tasks of the remuneration committees and the individual boards of directors' control of compliance with the remuneration policy are available from Human Resources.

Compliance oversees that the remuneration policy is in compliance with the regulations applicable from time to time.

13. Publication
This remuneration policy is published on the group's website.

In the oral report presented at the annual general meeting, the chairman of the board of directors provides an account of the remuneration of members of the board of directors and the management board. Such report must contain information about remuneration in the previous financial year and the expected remuneration for the current and next financial year.

The decision as to how the information relating to the remuneration policy should be published rests with the management board.

Such publication must meet the requirements of section 15 of the Executive Order applicable from time to time.

14. Updating
Human Resources is responsible for updating the remuneration policy.

The remuneration committees are responsible for the preparatory work.

The remuneration policy is subject to annual approval by the board of directors.

15. Approval by the shareholders in general meeting
Upon consultation with Compliance, this remuneration policy has been approved at the meeting of the committee of representatives and annual general meetings, respectively, of the respective companies. Likewise, any amendments to the remuneration policy are subject to the approval at the companies' next meeting of the committee of representatives and annual general meetings, respectively.

16. Compliance with the remuneration policy
The Internal Audit department is responsible for revising the remuneration policy to reflect the restrictions following from clause 11 above, Remuneration committees etc.

This is done by:

- sample testing a number of specific salary agreements, including salary agreements that include variable salary schemes; and by

- reviewing compliance with other formal requirements of the remuneration policy.

Once annually, the Internal Audit department reports to the board of directors on the results.

As approved at the board meeting of Alm. Brand af 1792 fmba held on 2018

_____	_____
Chairman	Deputy Chairman
Jørgen H. Mikkelsen	Jan Skytte Pedersen

As approved at the board meeting of Alm. Brand A/S held on 2018

_____	_____
Chairman	Deputy Chairman
Jørgen H. Mikkelsen	Jan Skytte Pedersen

As approved at the board meeting of Alm. Brand Forsikring A/S held on 2018

_____	_____
Chairman	Deputy Chairman
Søren Boe Mortensen	Rasmus Werner Nielsen

As approved at the board meeting of Alm. Brand Bank A/S held on 2018

_____	_____
Chairman	Deputy Chairman
Jørgen H. Mikkelsen	Jan Skytte Pedersen

As approved at the board meeting of Alm. Brand Liv og Pension A/S held on 2018

_____	_____
Chairman	Deputy Chairman
Søren Boe Mortensen	Rasmus Werner Nielsen