

Introduction

The remuneration policy is a joint policy for Tryg A/S and Tryg Forsikring A/S ('Tryg') and has been formed on the basis of the applicable rules on remuneration in the financial sector.

The remuneration policy is applicable to Tryg in general and includes specific schemes for the Supervisory Board, the Executive Board (collectively the 'Executive Board' and individually the 'Executive Officer') and other Tryg employees whose activities have a significant impact on the company's risk profile, including key staff members (the Heads of Risk Management, Compliance, the Actuarial function and Internal Audit) and the Chief Security Officer ('Risk Takers').

Remuneration policy and Tryg's incentive structure:

- Are consistent with and promote sound and efficient risk management which does not encourage excessive risk-taking
- Are in accordance with Tryg's business and risk management strategy, risk profile, risk management practice, values and long-term goals and targets
- Conform with principles for protection of customers, including Tryg's obligation to act in the customers' best interest, and investors in connection with the performance of Tryg's business activities
- Ensure that conflicts of interest are prevented
- Ensure that the total variable salary which Tryg undertakes to pay does not erode Tryg's possibility of strengthening its capital base
- Take into consideration Tryg's organisation and the nature, scope and complexity of the risks connected with Tryg's business activities.

The Supervisory Board assesses and decides which employees are to be regarded as Risk Takers. The assessment is made on the basis of the provisions in the remuneration rules, Tryg's risk management profile and the employees' competence profiles. The Supervisory Board has laid down guidelines on the appointment of Risk Takers. The guidelines must be reviewed at least once a year.

Supervisory Board

Tryg's Supervisory Board members receive a fixed fee and are not covered by any form of incentive scheme. The Supervisory Board members' remuneration (basic fee) is fixed at a market-adjusted level, while also taking into account the requirements for the Supervisory Board members' competence and performance, the scope of the Supervisory Board's work and the number of meetings.

The Chairman of the Supervisory Board receives a triple basic fee, and the Deputy Chairman receives a double basic fee.

In addition to the basic fee, Supervisory Board members who are also members of the Audit Committee, the Risk Committee and the Remuneration Committee receive an additional fee for this. The chairman of the respective committee receives a fee that is 1½ times higher than the fee paid to the other members of the committee in question.

Supervisory Board members who sit on the Nomination Committee do not receive a separate fee for this.

The annual general meeting approves the remuneration for the Supervisory Board for the current financial year.

In addition to the fixed fees, Tryg pays social contributions and other corresponding taxes and duties to foreign authorities in relation to the Supervisory Board members' fees. Tryg also pays any outlays and travelling expenses incurred in connection with the Supervisory Board member's performance of his or her obligations as Supervisory Board member.

In special cases, one-off remuneration may be paid for work in excess of the expected work activities on the Supervisory Board, for example participation in special committee work. Such remuneration must be approved by the annual general meeting.

Authority

The terms of remuneration and employment for the Executive Board and the Head of Internal Audit are laid down by the Supervisory Board within the framework of the adopted remuneration policy. The Supervisory Board annually assesses the Executive Board's and the Head of Internal Audit's remuneration.

The terms of remuneration and employment for Risk Takers are laid down by the Executive Board or the managers appointed by the Executive Board within the framework of this policy. Risk Takers' remuneration is assessed annually.

However, the variable salary for Risk Takers is fixed by the Executive Board, which also performs backtesting thereof.

All agreements on terms of remuneration and employment for employees in Tryg are subject to approval by the manager's manager (the grandfather principle) in connection with both appointments and changes (except ordinary adjustments within a predefined framework). Extraordinary and significant changes to terms of remuneration and employment must always be approved by the Tryg Executive (Tryg-lederen) or, in special cases, by a member of the Executive Board. Terms of remuneration and employment for managers who report to the Executive Board must be approved by the Group CEO. The principle ensures independence, contributes to preventing conflicts of interest and forms part of Tryg's control function.

Salaries etc. for employees under collective agreement terms are adjusted in accordance with the provisions of the relevant collective agreements and workplace agreements, including collectively agreed schemes on variable salary, unless the collective agreements, including workplace agreements etc., do not contain any provisions to this effect. In the latter case, this remuneration policy applies in full.

Remuneration in general

Tryg's intention is that, in so far as possible, remuneration must be simple and transparent in its structure and must not result in inappropriate acceptance of risk. The total remuneration must be competitive and market consistent and thus sufficiently attractive to attract and retain the right employees at all levels. Remuneration is based on an individual agreement, a collective agreement or established practice in Tryg in general.

The Supervisory Board assesses that, based on the remuneration policy framework, the remuneration in Tryg ensures a suitable and well-balanced composition between fixed and variable salaries, ensures a flexible bonus policy and ensures foreseeable risks and value creation for the shareholders in both the short term and the long term.

The employees' remuneration may be composed of the following elements:

- Fixed salary (incl. fixed allowances and temporary functional allowances)
- Pension schemes
- Other market-consistent employee benefits such as company car, insurance, telephone, Internet, newspaper etc.
- Variable salary, including, for example, performance-based salary, one-off remuneration and retention bonus
- A sign-on bonus and severance pay.

Salary

The fixed salary should primarily reflect the employee's organisational responsibilities, relevant work experience, individual performance and competence and is, moreover, fixed with due consideration for market conditions. Adjustment of the fixed salary for employees employed on a contractual basis will be discussed at the annual salary review. Newly appointed employees employed on an individual contract are pay graded in accordance with internal and external benchmarks.

The individual variable salary programmes (Matching Shares and INP) should primarily reflect sustained and risk-adjusted work performance as well as performance in excess of what can be expected in relation to the employee's relevant organisational responsibility and relevant work experience. Financial and non-financial targets must generally be included in the programmes. The financial targets are laid down in accordance with Tryg's strategic and long-term goals.

The overall targets for variable salary are stated below. The participants in the incentive programmes receive guidelines and a description of their specific programme, and the targets are defined and assessed annually.

Tryg employees are obliged not to use personal hedging strategies or salary-linked and liability-related insurance policies to undermine the risk adjustment effects embedded in their salary terms.

Pension

Matters relating to pensions in Tryg are laid down on a market-consistent basis and in accordance with Tryg's business strategy, values and long-term goals. As a general rule, compulsory defined contribution plans with a pension company are used.

For the Executive Board, the pension contribution rate constitutes 25% of the fixed salary.

For Risk Takers and other employees employed on a contractual basis in Denmark, the pension contribution rate constitutes up to 20% of the fixed salary. Pensions for employees employed under a collective agreement are regulated via the respective collective agreements.

For employees employed in Norway, the pension scheme was previously a defined benefit plan, which was terminated in 2007. Employees employed subsequent to the termination of this scheme and employees who chose a voluntary transfer are covered by a collective defined contribution plan with contribution rates of 6% of the salary between 0 and 7.1 G (G = Basic pension) and 9% of the salary between 7.1 and 12 G. A few employees, including some Risk Takers, also receive compensation for, among other things, the lack of pension above 12 G. For newly appointed employees, only the senior management in Norway is awarded such additional pension, and by maximum 10% of the salary above 12 G.

For employees employed in Sweden, pension schemes are regulated by collective agreement. However, this does not apply to the Country Manager (Verkstallande Direktør) for whom the pension contribution rate may constitute up to 30% of the fixed salary.

Incentive programmes

Tryg has a Matching Shares programme for the Executive Board. Other managers may, based on their organisational level, be covered by a general incentive programme ('INP programme') for variable salary. Specialists may be included in an INP programme following a specific assessment.

The principal purpose of the incentive programmes is to ensure a coincident financial interest between the participants and the company's shareholders and to create a correlation between remuneration and performance results. Secondly, the programmes are to contribute to retaining the participants in question in Tryg.

Targets

The allocation of variable salary in both the Matching Shares programme and the INP programme is based on a result and performance assessment of the participant's work in the performance year (financial year), based on specific weighted financial and non-financial targets laid down at the beginning of the performance year. There must be at least one company target, one business area target/department target and one personal target for the Executive Board and Risk Takers. The business area targets are differentiated for the individual business areas, so that the units only have the most relevant targets, and the weighting of the individual targets may vary. The assessment is made at the beginning of the year following the performance year.

The targets consist of:

Financial targets, which may, for example (not exhaustive), be:

- Technical result (business area)
- Portfolio growth
- Cost improvement/efficiency enhancement of distribution
- Profitability measures
- Sales of new products

Non-financial targets, which may, for example (not exhaustive), be:

- Customer satisfaction
- Digitalisation/automation
- Manager and employee development
- Employee satisfaction
- Project efficiency
- Rooting of new strategy, visions and processes
- Innovation and development activities, including new products, customerpromoting activities, IT, Brand Attraction etc.

A Tryg factor which can gear/regulate the above result by a factor of 0 to 1.4. The Tryg factor is based on a financial ratio (company target) and, for 2018, the factor is based on the technical result.

In special cases, and in accordance with the regulations in force, the targets set for the performance year may be changed or supplemented with other targets during the performance year. This may, for example, occur if:

- Collective agreement adjustments are made during the performance year which may significantly affect the targets
- The targets generally turn out to be significantly inexpedient for Tryg due to unforeseen circumstances
- Other priorities must be made during the performance year or if there is a need to manage the company in accordance with new goals and targets which, as a whole, are better for Tryg than the pre-defined goals and targets, for example in connection with organisational changes, M&A, sourcing etc.
- The participant changes position or receives new assignments.

For units which differ structurally from the business areas, an INP programme with other targets for non-Risk Takers may be established in special cases.

For all bonus programmes, it should be ensured in connection with the establishment of targets that no targets are set which are contrary to Tryg's obligation to act in the customer's best interest, or which encourage employees to recommend a specific insurance product, if Tryg offers another product that covers the customer's requirements better.

Payment structure

Executive Board

The variable salary cap for the Executive Board is set at 50% of the fixed basic salary, including pension, in the performance year.

The Matching Shares programme entails that the Executive Officer may buy shares ('Investment Shares') in Tryg A/S at market price, using taxed funds, for up to the amount decided by the Supervisory Board. The Executive Officer buys the Investment Shares in the open trading window following the publication of the annual report for the previous year (the performance year). Shares which the Executive Officer has bought on the free market during the performance year may be included in the pool of Investment Shares. The purchase of Investment Shares entitles the Executive Officer to a number of Matching Shares, corresponding to the number of Investment Shares which the Executive Officer has bought.

The right to Matching Shares is subject to the condition that the Executive Officer does not sell the Investment Shares for a period of four years after the purchase (the 'Deferral Period') and that the

Executive Officer is not under notice at any time during the Deferral Period. If the employment is terminated due to the Executive Officer's retirement or if the Executive Officer is given notice of dismissal by Tryg, without this being due to the Executive Officer's breach of contract, the Executive Officer will retain the right to all Matching Shares, which will, however, still be subject to backtesting. For the Group CEO, a separate agreement has been entered into to the effect that, if he resigns from his position after having been a member of Tryg's Executive Board for more than 17 years, his position in relation to the Matching Shares programme will be the same as if he had been given notice of dismissal by Tryg.

Based on Tryg's risk profile and the market level, a four-year Deferral Period is regarded as suitable for the Executive Board.

After the end of the Deferral Period (the Matching Date), the Executive Officer receives a number of free shares in Tryg A/S, corresponding to the number of Matching Shares allotted to the Executive Officer. The number of free shares may be reduced or lapse entirely on the basis of backtesting.

If, during the Deferral Period, Tryg decides to distribute dividend to the shareholders, an additional number of free shares ('Dividend Adjustment Shares') will be allotted on the Matching Date. The additional number of free shares will be equal to the value of the dividends that the Executive Officer would have received if the Matching Shares had been finally and unconditionally transferred at the time of the purchase of the Investment Shares. The number of Dividend Adjustment Shares is calculated on the basis of the number of free shares allotted after any downward adjustment or cancellation on the basis of backtesting, and on the basis of the average price of the Tryg share quoted on Nasdaq Copenhagen on the distribution dates during the Deferral Period.

The free shares allotted on the Matching Date must not be disposed of by the Executive Officer until six months from the Matching Date. A six-month retention period is regarded as suitable considering that the entire programme is a Matching Shares programme, that no cash bonus is paid to the Executive Officer and that the matching is deferred for a total of four years.

INP for Risk Takers

The cap for INP for Risk Takers has been set at 50% of the fixed basic salary, including pension, in the performance year, calculated on the basis of the salary for December.

The INP is calculated and distributed the year after the performance year (the 'Allotment Date'). 50% of the INP is distributed as a cash payment on the Allotment Date, and 50% is distributed as conditional shares in Tryg A/S, which are deferred. If the variable salary constitutes a large amount (usually more than DKK 750,000), 40% is disbursed as a cash payment on the Allotment Date and 60% is distributed as conditional shares, which are deferred. In the assessment of whether the variable salary constitutes a large amount, consideration is made for, among other factors, the individual Risk Taker's salary and risk profile.

On the basis of Tryg's risk profile and the market level, a three-year Deferral Period after the Allotment Date for the restricted shares is regarded as suitable for Risk Takers.

The right to conditional shares is subject to the condition that the Risk Taker is not under notice at any time during the Deferral Period. If the employment is terminated due to the Risk Taker's retirement or if the Risk Taker is given notice of dismissal by Tryg, without this being due to the Risk Taker's breach of contract, the Risk Taker will retain the right to all conditional shares, which will still be subject to backtesting.

After the end of the Deferral Period (the 'Transfer Date'), the Risk Taker receives free shares in Tryg A/S equal to the number of conditional shares that the Risk Taker has been allotted. The number of free shares may be reduced or lapse entirely on the basis of backtesting.

If, during the Deferral Period, Tryg decides to distribute dividend to the shareholders, an additional number of free shares will be allotted to the Risk Taker on the Transfer Date ('Dividend Adjustment Shares'). The additional number of free shares will be equal to the value of the dividends that the Risk Taker would have received if the conditional shares had been finally and unconditionally transferred on the Allotment Date. The number of Dividend Adjustment Shares is calculated on the basis of the number of free shares allotted after any downward adjustment or cancellation on the basis of backtesting, and on the basis of the average price of the Tryg share quoted on Nasdaq Copenhagen on the distribution dates during the Deferral Period.

Free shares must not be disposed of by the Risk Taker until six months after the Transfer Date. A six-month retention period is regarded as suitable considering that the conditional shares are deferred in full for three years.

INP for other participants in the programme

Other INP programme participants who are not Risk Takers ('non-Risk Takers') may receive up to 100% of their fixed basic salary, including pension, in the performance year, calculated on the basis of the salary for December, as INP.

The INP is calculated and distributed the year after the performance year (the 'Allotment Date'). Depending on the specific programme, the payment structure for these participants is based on a cash part of up to 4.9 months' salary (after Tryg factor) and, for certain employees, the option to participate in the Matching Shares programme with an Investment Shares value of up to DKK 400,000.

The Matching Shares programme for non-Risk Takers entails that the participant may buy shares (Investment Shares) in Tryg A/S at market price, using taxed funds, for up to the amount approved. The purchase of Investment Shares entitles the participant to a number of Matching Shares corresponding to the number of Investment Shares that the participant has bought.

The right to Matching Shares is subject to the condition that the participant does not sell the Investment Shares for a period of three years after the purchase (the 'Deferral Period') and that the participant is not under notice at any time during the Deferral Period. If the employment is terminated due to the participant's retirement or if the participant is given notice of dismissal by Tryg, without this being due to the participant's breach, the participant will, however, retain the right to all Matching Shares.

After the end of the Deferral Period (the Matching Date), the participant receives a number of free shares in Tryg A/S, corresponding to the number of Matching Shares allotted to the participant.

If, during the Deferral Period, Tryg decides to distribute dividend to the shareholders, an additional number of free shares will be allotted to the participant on the Matching Date ('Dividend Adjustment Shares'). The additional number of free shares will be equal to the value of the dividends that the participant would have received if the Matching Shares had been finally and unconditionally transferred on the Allotment Date. The number of Dividend Adjustment Shares is calculated on the basis of the number of free shares allotted and on the basis of the average price of the Tryg share quoted on Nasdaq Copenhagen on the distribution dates during the Deferral Period.

The INP programme's payment structure for other participants who are not Risk Takers may be changed following the Executive Board's decision, and, in such case, the terms and conditions will subsequently be incorporated in the remuneration policy.

Other employees

For other employees who are not covered by the INP programme and who are not Risk Takers, ad hoc bonus programmes may be created at either an individual or a collective level. The employees may receive up to maximum 100% of their salary, including pension, via such bonus programmes.

Individual bonus programmes have been set up for Key Accounts in Securator and Account and Team Managers in Tryg Garanti.

Key functions and controlling functions

Employees in key functions (Compliance, Internal Audit, Risk Management and the Actuarial function) and in controlling functions (Group Security) must not receive variable salary which is linked to the performance in the department, operational unit or area in which the employee performs control.

The Heads of Internal Audit, Compliance, Risk Management, the Actuarial function (Key Staff Members) and the Chief Security Officer must not receive a variable salary, except in respect of any agreement on a sign-on bonus, one-off remuneration, retention bonus or agreement on severance pay in connection with termination of employment.

One-off remuneration

In special cases, discretionary one-off remuneration may be paid to the Executive Board, Risk Takers and other employees.

Such one-off remuneration may be paid for particularly good results in relation to areas in which targets have not already been set, a heavy workload or long working hours. This may, for example (not exhaustive), be in connection with:

- Insourcing and outsourcing projects
- Acquisition or divestment of business areas
- Restructurings or special operational adjustment of business areas or staff functions
- Special development projects
- Special operational conditions.

One-off remuneration may also be used in connection with unforeseen events or circumstances which have had a significant impact on already set targets.

For the Executive Board and Risk Takers, one-off remuneration may be paid either fully in conditional shares or in accordance with the same payment structure as described above for the Executive Board and Risk Takers; however, so that the Executive Board may also receive one-off remuneration which is a combination of a cash disbursement and conditional shares, corresponding to the payment structure for Risk Takers. For other employees, the payment may be made as an allotment of shares in Tryg A/S, conditional shares, Matching Shares, cash disbursement or a combination thereof.

For the Executive Board, the total variable salary (Matching Shares, one-off remuneration and retention bonus) cannot exceed an overall cap of 50% of the fixed basic salary, including pension. For Risk Takers, the total variable salary (INP, one-off remuneration and retention bonus) may, in connection with the payment of one-off remuneration and/or retention bonus, be increased by up to 100% of the fixed basic salary, including pension.

Sign-on bonus

In connection with entering into an employment agreement, an agreement for a sign-on bonus may be entered into in special cases. A precondition for this is that Tryg has a sound and strong capital base at the time of the allocation of the sign-on bonus.

The sign-on bonus cannot exceed 50% of the fixed basic salary, including pension, and is limited to the first year of employment. The sign-on bonus may consist of shares in Tryg A/S, conditional shares, cash payment or a combination thereof. Depending on the existing legislation, the sign-on bonus may be made subject to the condition that the participant is not under notice for up to one year after the date of commencement.

Agreements on sign-on bonuses which are described above and which have been agreed in accordance with the rules in the Danish Executive Order on remuneration policy and remuneration in insurance companies and insurance holding companies ('Executive Order on remuneration') are not included in the calculation of the cap on variable salary (Matching Shares/INP, one-off remuneration and retention bonus) for the Executive Board and Risk Takers, and are not covered by the deferral, retention and instrument requirement in the remuneration rules.

Sign-on bonus agreements are not included in the cap on variable salary for other employees.

Retention bonus

In special situations, there may be a need to enter into an agreement on retention bonus for the Executive Board, Risk Takers or other employees, for example to retain employees in connection with insourcing or outsourcing, acquisitions or divestments of business areas or companies and similar circumstances. Agreements on retention bonuses for other employees than the Executive Board and Risk Takers must be approved by the HR SVP.

For the Executive Board and Risk Takers, a retention bonus may be paid either fully in conditional shares or in accordance with the same payment structure as described above for the Executive Board and Risk Takers; however, so that the Executive Board may also receive a retention bonus which is a combination of a cash disbursement and conditional shares, corresponding to the payment structure for Risk Takers. For the Executive Board and Risk Takers, a condition of continued employment in the Deferral Period may be abbreviated in this situation. For other employees, the payment may be made as an allotment of shares in Tryg A/S, conditional shares, Matching Shares, cash disbursement or a combination thereof.

For the Executive Board, the total variable salary (Matching Shares, one-off remuneration and retention bonus) cannot exceed an overall cap of 50% of the fixed basic salary, including pension. For Risk Takers, the total variable salary (INP, one-off remuneration and retention bonus) may, in connection with the allocation of retention bonus and/or one-off remuneration, be increased by up to 100% of the fixed basic salary, including pension.

Employee bonus scheme (medarbejderbonus)

Under certain conditions, Tryg employees participate in a general employee bonus scheme to the extent that, in the year in question, the Supervisory Board has decided that a bonus scheme is to be established. The Executive Board and Risk Takers cannot receive an employee bonus.

The employee bonus is maximised by the Supervisory Board, and the bonus is allocated on the basis of Tryg Forsikring A/S's overall results. In accordance with the employee's wish, the shares may be converted into a cash payment at 80% of the value of the shares.

The targets for 2018 are:

- Technical result
- Customer satisfaction (T-NPS).

Success Fee

Each year, a pool of DKK 5 million is allocated for discretionary one-off remuneration of up to DKK 40,000 or NOK/SEK 50,000 or for use for team events. The purpose of the scheme is that Tryg may reward employees who or teams which deliver extraordinary results and/or show particularly positive behaviour.

The Executive Board and Risk Takers cannot receive Success Fee in the form of one-off remuneration, but they may participate in team events.

Severance pay

Severance pay must be in accordance with Tryg's business strategy, values and long-term goals.

On employment of an Executive Board member, an agreement may be entered into on severance pay, which is not related to results achieved in the performance of the Executive Officer's position, of up to 12 months' salary, including pension and value of taxed employee benefits, on notice of dismissal by Tryg, without the Executive Officer being responsible for such termination. However, the current Group CEO is entitled to 18 months' severance pay.

An agreement has been entered into with the current Head of Internal Audit on 12 months' severance pay.

On employment of Risk Takers, an agreement may be entered into on severance pay of up to 12 months' salary, including pension, if Tryg A/S and/or Tryg Forsikring A/S merge(s) with one or more companies, change(s) ownership fully or partly, and the company's organisation in this connection is changed significantly, with the consequence that the Risk Taker is exposed to significant, and for him/her unacceptable, changes of the employment, and the Risk Taker chooses to give notice to terminate his or her position (change of control clause) in this connection.

For two members of the current Executive Board and a Risk Taker, 36 months' severance pay has been agreed in a change of control clause in their employment contracts. These agreements were entered into before the current terms and conditions for severance pay were included in the Executive Order on Remuneration in 2012. For one member of the current Executive Board, 24 months' severance pay has been agreed in a change of control clause in which there is access to effecting set-offs in the severance pay.

For the Executive Board, Risk Takers and other employees, an agreement on severance pay of a value of up to 12 months' salary including pension, may be entered into in connection with termination of employment.

Agreements on severance pay as described above and entered into in accordance with the rules of the Executive Order on remuneration are not included in the calculation of the cap on variable salary (Matching Shares/INP, one-off remuneration and retention bonus) for the Executive Board and Risk Takers and are not covered by the deferral, retention and instrument requirement in the remuneration rules. Agreements on severance pay are not included in the cap on variable salary for other employees.

For all agreements on severance pay, a condition may be inserted to the effect that the severance pay will be disbursed as a current monthly payment after the end of the notice period, and that set-offs may be effected against this pay if the Executive Officer, Risk Taker or other employees take up other employment during the disbursement period.

For employees under collective agreement terms, there may be special agreements on severance pay (e.g. senior compensation) in the respective collective agreements. Severance pay in accordance with a collective agreement or statutory severance pay is not included in connection with the above cap on severance pay or in the calculation of the cap on variable salary.

Period of notice

The maximum period of notice that may be agreed on Tryg's part is 12 months for the Executive Board, Risk Takers and other employees.

In special cases, a 24-month period of notice may be agreed on Tryg's part on commencement of or during the employment. This may, for example, be in connection with considerations regarding acquisition or sale of business units. The total extent of the period of notice and severance pay must, however, not exceed 24 months' total remuneration, including all salary components.

Triviality limit

In accordance with the remuneration rules, the Supervisory Board or the Executive Board may decide specifically or generally at company level that, in connection with the Executive Board members' or Risk Takers' earning of a total variable salary of maximum DKK 100,000 in the performance year, an exception may be made from the deferral, retention and instrument requirement in the Executive Order on remuneration.

Shares

Shares for use in connection with variable salary and the employee bonus scheme may be acquired through share buybacks or through the use of Tryg's holding of treasury shares. The shares can also be acquired by exercising the authorisation set out in Tryg's Articles of Association for the Supervisory Board to increase the share capital by subscription for new shares.

Conditional shares may be allotted outside a trading window, as there will always be a Deferral Period for conditional shares. The free shares that are to be transferred after the end of the Deferral Period may also be transferred outside a trading window. The Supervisory Board assesses that this is in accordance with the rules in the Market Abuse Regulation.

Risk adjustment

Variable salary for the Executive Board and Risk Takers is conditional on:

- Tryg meeting the applicable capital adequacy and solvency requirements at the Allotment and/or Matching or Transfer Date
- Tryg's financial situation not having deteriorated significantly at the Allotment and/or Matching or Transfer Date in relation to the time at which the scheme was established or the Allotment Date
- The criteria that have formed the basis for the establishment of the incentive scheme not having changed significantly on the Allotment Date
- The criteria that have formed the basis for the calculation of the variable salary share still being met on the Matching or Transfer Date
- The Executive Officer or Risk Taker not having participated in or been responsible for behaviour which has resulted in significant losses being incurred by Tryg, or otherwise having failed to meet suitable requirements for fitness and propriety
- The Executive Officer or Risk Taker not having been in material breach of Tryg's internal rules and procedures as well as Tryg's guidelines and routines applicable to customer relations.

On the basis of the circumstances above, the allocation of variable salary or disbursement/transfer of deferred variable salary may lapse in full or in part, including the number of shares to be transferred after the end of the Deferral Period (backtesting).

For the Executive Board and Risk Takers, it is also a condition that the person receiving a variable salary must repay the variable salary in full or in part if the variable salary has been paid on the basis of information about performance results which can be documented as being incorrect and if the recipient was in bad faith (clawback).

Remuneration Committee and control

The Supervisory Board has set up an independent Remuneration Committee and laid down the terms of reference for the Remuneration Committee, including the committee's tasks and control functions. The terms of reference must be reviewed once a year.

The Supervisory Board must ensure that compliance with the remuneration policy is checked at least once a year. The Supervisory Board has laid down guidelines on such control on recommendation from the Remuneration Committee. The results of the control must be presented to the Supervisory Board.

Remuneration policy

The remuneration policy is approved by the annual general meeting. The policy is reviewed regularly and at least once a year by Tryg's Supervisory Board and is revised, if necessary. Any revised remuneration policy is presented to the annual general meeting for approval. When the remuneration policy has been approved, it applies to any salary earned from 1 January of the year in which the remuneration policy is approved by the annual general meeting.

Tryg publishes information about its remuneration policy and practice for the Supervisory Board, Executive Board and Risk Takers at www.tryg.com.

As adopted at the Supervisory Board meeting on 22 January 2018 and at the annual general meeting in Tryg A/S on 16 March 2018 and Tryg Forsikring A/S on 14 March 2018.