

# Report on corporate governance pursuant to Art. 107b of the Danish Financial Statements Act

## **Report on corporate governance pursuant to Art. 107b of the Danish Financial Statements Act**

Each year, we consider the recommendations from the Danish Committee on Corporate Governance.

This statement forms part of the management review in the annual report of Ørsted A/S for the period 1 January 2020 to 31 December 2020.

### **I. Letter from the Chairman**

In the Board of Directors, we firmly believe that good corporate governance and high standards of integrity are fundamental as we continue to develop Ørsted as one of the global leaders in renewable energy.

We have designed our corporate governance model to support transparency and compliance with regulation and best practice, and to support business conduct and decision-making that is agile, efficient, and of high quality. Our corporate governance is supported by a company culture based on high ethical standards and clear values throughout the organisation. It is built on three pillars that are embedded throughout the organisation, from the Board to the individual employee.

First, we have designed our management structure to enable the right decision-making power in the right places throughout the organisation. Therefore, we have defined clear roles, responsibilities, and key performance indicators at all levels of the organisation. In the Board, we oversee the overall strategic decision-making in Ørsted, while the Executive Board undertakes the day-to-day management of the company through the Executive Committee. Our Management Team of approx. 20 senior executives drives the strategic execution of our business plans and promotes a common culture across the company, supported by our wider management system of more than 1,000 managers across the company. Each employee across the company has clear targets for how to contribute, including personal development targets and success criteria that link back to our business strategy.

Second, we want to ensure the right competences to successfully drive our business forward. We spend considerable amounts of time assessing and ensuring that we have the right competences at executive and board levels and attach importance to the

members having extensive knowledge and experience covering a wide range of geographies and fields of expertise. Climate action is particularly fundamental to our business strategy of deploying renewable energy, so climate-related issues are an integral part of board and executive agendas. Therefore, a key set of competences for the Board includes environment, social, and governance (ESG) as this is fundamental for Ørsted's business. For the Executive Board, we have also integrated ESG into their individual incentive schemes.

To reinforce diversity, we have equal gender representation in the Board as defined by Danish law, and throughout the organisation, we continuously work to promote diversity through the representation of different nationalities, genders, age distribution, and mindsets.

Individual development is a key driver in helping to ensure that we have the right competences in place. That is why we have built a systematic approach to and culture of continuous development. Our approach warrants personal development, enables nuanced, constructive feedback, and enhances growth opportunities for individuals at all levels of the organisation.

Third, we want to maintain and further cultivate a company culture based on integrity. Integrity is our root and is the first of our five guiding principles. Our culture and focus on integrity are also supported by our policy on good business conduct and a set of internal controls aimed at protecting Ørsted's integrity. We have clear policies, procedures, and guidelines in place to prevent and address potential violations of our policy on good business conduct. We have an Internal Audit function and a whistleblower scheme where internal and external stakeholders can easily and anonymously report concerns about inappropriate and illegal conduct in the company through an independent third party.

We keep our governance principles under regular review, and we promote compliance internally and with our business partners through our code of conduct and due diligence, training and reporting of misconduct, to support the highest levels of good governance and integrity.

On the following pages, you can read more about our corporate governance, and how we work with it. I look forward to continuing serving the Board in the coming year.

Thomas Thune Andersen  
Chairman

## II. The composition of the management boards and committees and their function

Our overall and strategic management of the company is anchored in a board of independent non-executive directors appointed by the shareholders.

The Board of Directors appoints the Executive Board consisting of the CEO and CFO who undertake the day-to-day management of Ørsted through the Executive Committee. None of our executives are members of the Board of Directors. A Management Team consisting of the Executive Committee and Senior Vice Presidents drives strategic development and cultural alignment across the company.

### Our governance model



### **Shareholders and general meeting**

Ørsted is a publicly listed company with the Danish State as majority shareholder with 50.1 % ownership. The Danish State exercises its ownership interest in Ørsted in accordance with the ordinary governance set-up in Danish companies where the Board of Directors and the Executive Board are responsible for the management of the company. The Danish State exercises its interest at the general meeting, including through the appointment of professional board members. The Danish State's ownership policy is available here: <https://fm.dk/udgivelser/2015/april/statens-ejerskabspolitik>

All our shareholders may exercise their rights and vote at the general meeting through a one-share-one-vote principle. The general meeting adopts decisions, such as the election of the Board of Directors and the auditor, in accordance with the standard Danish rules. Due to our majority ownership by the Danish State, we have a bespoke quorum requirement, as proposals to amend the Articles of Association or dissolve the company require that the Danish State participates in the general meeting and supports the proposals.

### **Board of Directors**

Each year at the annual general meeting, the shareholders elect six to eight board members. In addition, our employees may elect members corresponding to half of the board members elected by the general meeting pursuant to Danish mandatory rules. Employee elections are held every four years.

For the time being, our Board of Directors comprises nine members, six members elected by the general meeting and three members elected by the employees.

The Board of Directors is responsible for the overall management of the company. The Board of Directors lays down the company's strategy and makes decisions concerning major investments and divestments, the capital base, key policies, control and audit matters, risk management, and significant operational issues. You can see the most important tasks in 2020 on page 5 and 6.

The Board monitors and oversees progress related to Ørsted's climate change strategy, including our ambitious net-zero carbon reduction targets for scopes 1-3 emissions. We routinely integrate climate change considerations when setting our strategic direction, reviewing sustainability risks, setting performance objectives, deciding on our capital allocation, and when approving and overseeing major investments, acquisitions, and divestments.

The Board of Directors conducted its annual board evaluation in November 2020. The basis for the evaluation was a questionnaire that the individual members of the Board of Directors and Executive Committee had been asked to complete, and

individual interviews conducted by an external advisor. At the evaluation, all members of the Board of Directors and the Executive Board expressed that the board is strong, aligned, well-functioning, and possesses the right competencies to govern the company. Moreover, all members found board discussions inclusive and open to the viewpoints of all members. As the company expands to new markets and technologies, there are some development areas that need to be further explored and evaluated, e.g. ensuring that the Board of Directors has the right competency coverage in the long-term and prioritizing succession as a more important part of the board agenda.

The Board of Directors has prepared an overview of the competences required on the board. The list of required competences can be found at [orsted.com/competences-overview](https://orsted.com/competences-overview).

A description of the individual board members, including their other executive positions, independence, and how the individual board members contribute to the required competences can be found on pages 65-67 of the 2020 Annual Report. Their meeting attendance during 2020 can be found in the table on page 8 below.

Each year, the general meeting approves the remuneration for the members of the Board of Directors for the coming year. In the separate remuneration report, you can read more about the remuneration of the Board of Directors. Furthermore, we have incorporated and follow all the recommendations prepared by the Danish Committee on Corporate Governance.

### **Important tasks managed by the Board of Directors in 2020**

#### *Investments, acquisitions, and divestments*

- Build out our offshore wind project portfolio after 2021, including bids into auctions and tenders in the Netherlands and US and entry into a corporate power purchase agreement with TSMC related to the Greater Changhua 2b & 4 offshore wind project in Taiwan and a virtual corporate power purchase agreement with Amazon related to the Borkum Riffgrund 3 offshore wind project in Germany.
- Enter into agreement to divest 50 % of the Changhua 1 project in Taiwan to a consortium of Caisse de dépôt et placement du Québec and Cathay Private Equity.
- Enter into agreement to divest 25 % of the US offshore wind project Ocean Wind 1 to PSEG.
- Build out our onshore portfolio in the US, including final investment decisions on the onshore wind farm Western Trail and the solar farm Old 300 Solar Center and the acquisition of and final investment decision on the onshore wind farm Haystack and the Muscle Shoals solar farm.
- Enter into agreement to divest the majority of our B2B-portfolio of natural gas and power customers in the UK.

- Complete the agreements to divest our Danish power distribution, residential customer, and city light businesses and our LNG business.

### **Other tasks**

- Appoint Mads Nipper as our new CEO following Henrik Poulsen's resignation.
- Assess the claim made by the Danish Tax Agency requiring Danish taxation of our British offshore wind farms Walney Extension and Hornsea 1 in the years 2015 and 2016.
- Issue green senior bonds in Taiwan to finance our green growth ambition towards 2025.
- Enter into multi-year agreement to resell some of the natural gas received from the Danish part of the North Sea to PGNiG Supply & Trading.
- Oversee the court case concerning the Ørsted name.
- Oversee the impacts of COVID-19.
- Oversee the results from the 2020 employee satisfaction survey, with a strong focus on the well-being of the employees, including discussions regarding inclusion, diversity, bullying, stress, and harassment.
- Oversee and discuss the development of our consolidated environmental, social, and governance (ESG) statements.

### **Committees of the Board of Directors**

The Board of Directors has appointed two committees from among its members: an Audit & Risk Committee and a Nomination & Remuneration Committee, which assist the Board of Directors within selected areas.

#### **Audit & Risk Committee**

Dieter Wemmer (Chairman), Jørgen Kildahl and Peter Korsholm are the members of the Audit & Risk Committee.

The committee assists the Board of Directors in overseeing the financial and ESG reporting process (including key accounting estimates and judgements), the liquidity and capital structure development, financial and business-related risks, compliance with statutory and other requirements from public authorities, internal controls as well as IT security in operational and administrative areas as well as cybersecurity.

Moreover, the committee approves the framework governing the work of the company's external and internal auditors (including limits for non-audit services), evaluates the external auditors' independence and qualifications, and monitors the company's whistle-blower scheme.

In 2020, the committee approved an update of the internal control and WACC frameworks. The committee also reviewed the financial impact of COVID-19 and the divestments of our Danish power distribution, residential customer, and city light businesses, and our LNG activities. Furthermore, it assessed the claim made by the Danish Tax Agency requiring Danish taxation of our British offshore wind farms Walney Extension and Hornsea 1, and it reviewed the progress in IT security.

Our Internal Audit function reports to the Audit & Risk Committee and is independent of our administrative management structures. Internal Audit enhances and protects the organisational value by providing risk-based and objective assurance, advice, and insight. The focus for Internal Audit is auditing and advising on our core processes, governance, risk management, control processes, and IT security.

The Chairman of the Audit & Risk Committee is responsible for managing our whistle-blower scheme. Internal Audit receives and handles any reports submitted. Our employees and other associates may report serious offences, such as cases of bribery, fraud and other inappropriate or illegal conduct, to our whistle-blower scheme or through our management system. In 2020, four substantiated cases of inappropriate or unlawful behaviour were reported through our whistle-blower scheme. Three cases concerned violation of good business conduct policies and one case concerned violation of administrative procedures. The four cases had consequences for the individuals involved. None of the reported cases were critical to our business and caused no adjustments to our financial results. Whistle-blower cases are taken very seriously, and we continuously enhance the awareness of good business conduct, e.g. through education as well as awareness campaigns, to minimise future similar cases.

You can read more about the Audit & Risk Committee and the terms of reference for the committee at [orsted.com/audit-risk-committee](https://orsted.com/audit-risk-committee).

### **Nomination & Remuneration Committee**

Thomas Thune Andersen (Chairman), Lene Skole, and Lynda Armstrong are the members of the Nomination & Remuneration Committee.

The committee assists the Board of Directors in matters regarding the composition, remuneration, and performance of the Board of Directors and Executive Committee.

In 2020, the committee discussed, among other matters, our increasing global footprint and the impact on our pay mix. It was decided to introduce a higher level of variance within pay-mix on different markets to be more in line with local market terms.

Following the implementation of the EU Shareholder Rights Directive II in Danish legislation, the committee reviewed the remuneration policy for the Board of Directors and the Executive Board, and an updated version of the remuneration policy was



subsequently approved by the annual general meeting in March 2020. The committee also spent time on the separate 2019 remuneration report covering the Board of Directors and the Executive Board as the company decided to reflect the new regulatory requirements, which apply from 2020, already in the 2019 reporting.

Additionally, the committee has reviewed changes in the peer group used for benchmarking Ørsted's relative TSR in the share based long-term incentive programme. The changes were made to better match Ørsted's current global footprint and business mix and to address the changes in the peer group's business mix and footprint.

Finally, the committee has been engaged in the recruitment of Mads Nipper as new CEO as of 1 January 2021, following Henrik Poulsen's resignation in June 2020.

You can read more about the Nomination & Remuneration Committee and the terms of reference for the committee at [orsted.com/nomination-remuneration-committee](https://orsted.com/nomination-remuneration-committee).

#### Meeting attendance

| Member of the board                | Board of Directors |               | Audit & Risk Committee | Nomination & Remuneration Committee |
|------------------------------------|--------------------|---------------|------------------------|-------------------------------------|
|                                    | Ordinary           | Extraordinary |                        |                                     |
| Thomas Thune Andersen              | 7/0                | 10/0          |                        | 5/0                                 |
| Lene Skole                         | 7/0                | 9/1           |                        | 5/0                                 |
| Lynda Armstrong                    | 7/0                | 10/0          |                        | 5/0                                 |
| Jørgen Kildahl                     | 7/0                | 10/0          | 8/0                    |                                     |
| Peter Korsholm                     | 7/0                | 10/0          | 8/0                    |                                     |
| Dieter Wemmer                      | 7/0                | 10/0          | 8/0                    |                                     |
| Hanne Sten Andersen <sup>1</sup>   | 5/0                | 7/0           |                        |                                     |
| Poul Dreyer <sup>1</sup>           | 5/0                | 7/0           |                        |                                     |
| Benny Gøbel <sup>1</sup>           | 7/0                | 10/0          |                        |                                     |
| Ole Henriksen <sup>1</sup>         | 2/0                | 3/0           |                        |                                     |
| Daniel Tas Sandermann <sup>1</sup> | 2/0                | 3/0           |                        |                                     |

<sup>1</sup>: Employee representative. During 2020, there have been changes in the employee-representatives. As a result of this, meeting attendance varies. The numbers indicate how many meetings in 2020 the members have attended or not attended, respectively, during the year.

## Competences

| Member of the Board   | Management |        |           |      |         |             |                 | Other         |  |                                    |     |
|-----------------------|------------|--------|-----------|------|---------|-------------|-----------------|---------------|--|------------------------------------|-----|
|                       | General    | Safety | Financial | Risk | Project | Stakeholder | Human resources | Energy sector | Investor and capital markets relationships | It, technology, and digitalisation | ESG |
| Thomas Thune Andersen | ✓          | ✓      |           | ✓    | ✓       | ✓           |                 | ✓             |  |                                    | ✓   |
| Lene Skole            | ✓          |        | ✓         | ✓    | ✓       | ✓           | ✓               |               | ✓  |                                    | ✓   |
| Lynda Armstrong       | ✓          | ✓      |           | ✓    | ✓       | ✓           | ✓               | ✓             |  |                                    | ✓   |
| Jørgen Kildahl        | ✓          | ✓      |           | ✓    | ✓       | ✓           |                 | ✓             | ✓  | ✓                                  | ✓   |
| Peter Korsholm        | ✓          |        | ✓         | ✓    |         | ✓           |                 | ✓             | ✓  |                                    | ✓   |
| Dieter Wemmer         | ✓          |        | ✓         | ✓    |         | ✓           |                 | ✓             | ✓  | ✓                                  | ✓   |
| Benny Gøbel           |            |        |           |      |         |             |                 | ✓             |  |                                    |     |
| Ole Henriksen         |            |        |           |      |         |             |                 | ✓             |  |                                    |     |
| Daniel Tas Sandermann | ✓          |        |           |      | ✓       | ✓           |                 | ✓             |  | ✓                                  | ✓   |

## Executive Board and Executive Committee

Mads Nipper (CEO) and Marianne Wiinholt (CFO) are members of the Executive Board of Ørsted A/S.

In addition to Mads Nipper and Marianne Wiinholt, the Executive Committee comprises the Executive Vice Presidents (EVP) of our three business units: Martin Neubert (Offshore), Declan Flanagan (Onshore), Morten H. Buchgreitz (Markets & Bioenergy) together with the EVPs Henriette Fenger Ellekrog (Chief Human Resources Officer - CHRO) and Anders Lindberg (Offshore EPC and QHSE). The Board of Directors has laid down guidelines for the work of the Executive Board, including the division of work between the Board of Directors and the Executive Board and the Executive Board's powers to enter into agreements on behalf of the company.

The Board of Directors regularly discusses the CEO's performance, for example by following up on developments seen in relation to our strategy and objectives.

The Chairman of the Board of Directors and the CEO also regularly discuss the cooperation between the Board of Directors and the Executive Board.

We describe the remuneration of the Executive Board in the separate remuneration report, available on [ored.com/remuneration2020](https://www.ored.com/remuneration2020). You can also find information about the members of the Executive Committee on page 69 of the 2020 Annual Report.

**Our corporate governance positions**

We comply with all 47 recommendations prepared by the Danish Committee on Corporate Governance applicable for the financial year 2020 (please see [www.corporategovernance.dk](http://www.corporategovernance.dk)).

**III. Internal controls and risk management in relation to our financial and environmental, social and governance ESG) reporting process**

The purpose of internal controls is to reduce the risk of errors and omissions in the financial and ESG reporting process to an acceptable level and through that ensure reliable and transparent reporting.

Internal controls assist us in achieving our objectives by ensuring that material misstatements or irregularities in relation to financial and ESG reporting are prevented or detected and corrected.

**Governance, culture and internal control environment**

Our governance, culture and internal control environment is defined by policies, guidelines, internal processes, and organisational structures that provide the basis for carrying out internal controls across our organisation.

Our Board of Directors and Executive Board are responsible for our internal controls and risk management set-up and approve the general policies within these areas. In this respect, an important element is integrity which is one of our five guiding principles. Our guiding principles are available on [orsted.com](http://orsted.com).

Our Audit & Risk Committee supports our Board of Directors in its supervision of the reporting process and the most important risks associated with the reporting. Furthermore, our Audit & Risk Committee oversees developments in the internal control and risk management systems as well as the business' ongoing risk reporting and internal controls.

Our Executive Board and finance management team are responsible for the effectiveness of the internal control and risk management systems, and for implementing controls aimed at mitigating the risks associated with the reporting.

This division of responsibilities provides us with an effective overall control environment.

**Objectives and risk assessment**

We carry out an annual risk assessment which forms the basis for determining how risks of material misstatements in the financial and ESG reporting will be managed and mitigated by the internal controls. Decisions on measures to reduce or eliminate risks are based on an assessment of materiality and probability of errors and omissions.

The scope of our risk management and internal controls in respect of our financial and ESG reporting is approved annually by our Audit & Risk Committee.

**Performance and control activities**

Our control activities are designed to prevent or detect and correct material misstatements in the reporting, thereby reducing the risk to an acceptable level. The internal controls include for example preventive and detective controls, reporting requirements, segregation of duties and functions, authorisation rules, controls concerning IT applications, general IT controls, and IT security.

We use an internal reporting tool to ensure proper documentation of the relationship between the identified key risks and key controls and to support the monitoring activities.

**Information, communication and reporting**

Our information and communication systems are designed to meet the reporting requirements applicable to listed companies. An accounting manual, reporting instructions and guidelines on internal controls have been prepared to ensure that the reporting is carried out on a uniform basis and is of a high quality.

**Monitoring**

The internal monthly financial reporting and the overall interim and yearly consolidated financial and ESG statements are controlled, and the controllers report regularly on the performance and maturity of our key controls, and a central function monitors the performance of the key controls. Major changes to the internal controls and risk management setup and weaknesses and action plans, if any, are reported to our Audit & Risk Committee. The auditors elected by the general meeting and our internal audit function inform our Board of Directors of any identified material weaknesses in the internal control set-up related to the financial and ESG reporting. Minor irregularities are reported in management letters.

## IV. Status on compliance with the recommendations on corporate governance issued by the Danish Committee on Corporate Governance

In the table below, our Board of Directors sets out its comments to each of the recommendations.

| Recommendation  | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation  |
|---|-----------------|---------------------------|------------------------|---|
| <b>1. Communication and interaction by the company with its investors and other stakeholders</b>  |                 |                           |                        |   |
| <i>1.1. Dialogue between company, shareholders and other stakeholders</i>   |                 |                           |                        |   |
| 1.1.1. The Committee recommends that the board of directors ensure ongoing dialogue between the company and its shareholders, so that the shareholders gain relevant insight into the company and in order for the board of directors to be aware of the shareholders' views, interests and opinions in respect to the company. | X               |                           |                        | <p>We have established an investor relations function which organises investor meetings based on material available on our website.</p> <p>We hold regular meetings with the Ministry of Finance in accordance with the Ownership Policy of the Danish State.</p> |
| 1.1.2. The Committee recommends that the board of directors adopts policies on the company's relationship with its stakeholders, including shareholders, and that the board of directors ensures that the interests of the stakeholders are respected in accordance with company policies.                                      | X               |                           |                        | <p>We have adopted an investor relations policy. The policy is available on our website.</p> <p>We also have a stakeholder engagement policy and a local engagement stakeholder policy that lay out the principles for and</p>                                    |

| Recommendation   | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation  |
|--|-----------------|---------------------------|------------------------|---|
|  |                 |                           |                        | <p>define how we engage with our stakeholders in practice. Our Board of Directors discusses the policies as part of their ordinary board work. The policies are available on our website.</p> <p>We further have made a sustainability commitment that commits us to engage with our stakeholders to better understand how we can continuously improve our sustainability performance. The sustainability commitment is available on our website.</p> |
| 1.1.3. The Committee <b>recommends</b> that the company publish quarterly reports. | X               |                           |                        | <p>We publish quarterly interim financial reports.</p> <p>We prepare the reports in accordance with IAS 34 Interim Financial Reporting and the Danish rules for listed and state-owned companies.</p> <p>We also publish quarterly environmental, social and governance (ESG) reports.</p>  |

| Recommendation  | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation  |
|---|-----------------|---------------------------|------------------------|---|
| <i>1.2. General meeting</i>   |                 |                           |                        |   |
| 1.2.1. The Committee <b>recommends</b> that in organising the company's general meeting, the board of directors plans the meeting to support active ownership.  | X               |                           |                        | We use electronic media to communicate with our shareholders and invite new shareholders by postal letter to register their email address in our web-based shareholder portal. The notice of our general meeting is sent to all shareholders who have registered their email address. It is also possible to request admission card to the general meeting and submit postal votes or proxies via the shareholder portal. Forms for proxy, postal votes and registration are also available at our website and can be requested from our share registrar. |
| 1.2.2. The Committee <b>recommends</b> that proxies or votes by post for the general meeting allow shareholders to consider each individual item on the agenda. | X               |                           |                        | Our proxy and postal vote forms allow shareholders to consider each individual item on the agenda.  |
| <i>1.3. Takeover bids</i>   |                 |                           |                        |   |
| 1.3.1. The Committee <b>recommends</b> that the company set up contingency procedures in the event of takeover  | X               |                           |                        | We have implemented procedures regarding takeover bids.   |

| Recommendation  | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation   |
|---|-----------------|---------------------------|------------------------|--|
| bids, from the time that the board of directors has reason to believe that a takeover bid will be made. The contingency procedures should establish that the board of directors should not without the acceptance of the general meeting, attempt to counter the takeover bid by making decisions which, in reality, prevent the shareholders from deciding on the takeover bid themselves. |                 |                           |                        |  |
| <b>2. Tasks and responsibilities of the board of directors</b>  |                 |                           |                        |  |
| <i>2.1. Overall tasks and responsibilities</i>  |                 |                           |                        |  |
| 2.1.1. The Committee <b>recommends</b> that at least once annually the board of directors consider the matters that should be included in the board's performance of its work.  | X               |                           |                        | In connection with our annual board evaluation in Q4 2020, we considered the matters that should be included in the Board of Directors' performance of its work. |
| 2.1.2. The Committee <b>recommends</b> that at least once annually the board of directors consider the overall strategy of the company with a view to ensuring value creation in the company.   | X               |                           |                        | Our Board of Directors discussed our overall strategy at its meetings in October and November 2020.  |
| 2.1.3. The Committee <b>recommends</b> that the board of directors ensure that the company has a capital and  | X               |                           |                        | We refer to pages 135-144 of our 2020 Annual   |



| Recommendation   | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation  |
|--|-----------------|---------------------------|------------------------|---|
| share structure which supports that the strategy and long-term value creation of the company are in the interest of the shareholders and the company, and that the board of directors explain this in the management commentary and/or on the company's website. |                 |                           |                        | Report.   |
| 2.1.4. The Committee <b>recommends</b> that the board of directors annually review and approve guidelines for the executive board; this includes establishing requirements for the executive board's reporting to the board of directors.                        | X               |                           |                        | Our Board of Directors has issued instructions to our Executive Board. The instructions were last reviewed in November 2020.  |
| 2.1.5. The Committee <b>recommends</b> that at least once annually, the board of directors discuss the composition, developments, risks and succession plans of the executive board.   | X               |                           |                        | On a recurring basis, our Board of Directors discusses the composition, developments, risks and succession plans of our executive board.                              |
| <i>2.2. Corporate social responsibility</i>  |                 |                           |                        |   |
| 2.2.1. The Committee <b>recommends</b> that the board of directors adopt policies on corporate social responsibility.  | X               |                           |                        | We have made a sustainability commitment which has been approved by our Board of Directors. It commits us to operate our business in a way that contributes to the UN |

| Recommendation  | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation   |
|---|-----------------|---------------------------|------------------------|--|
|   |                 |                           |                        | <p>Sustainable Development Goals.</p> <p>In addition, we have adopted more specific policies, for example, a code of conduct for business partners that lays out our expectations to suppliers and other business partners regarding governance, human rights and the environment.</p> <p>The sustainability commitment and policies are available on our website.</p> |
| <p><i>2.3. Chairman and vice-chairman of the board of directors</i></p>   |                 |                           |                        |  |
| <p>2.3.1. The Committee <b>recommends</b> appointing a vice chairman of the board of directors, who will assume the responsibilities of the chairman in the event of the chairman’s absence, and who will also act as effective sparring partner for the chairman.</p>  | X               |                           |                        | <p>We have appointed a deputy chairman of the Board of Directors. The deputy chairman is up for election by the general meeting each year.</p>   |
| <p>2.3.2. The Committee <b>recommends</b> that, if the board of directors, in exceptional cases, asks the chairman of the board of directors or other board members to perform special activities for the company, including briefly participating in the day-to-day management, a board resolution to that effect should be passed to ensure</p> | X               |                           |                        | <p>The situation has not occurred. Should the situation occur, we intend to comply with the recommendation.</p>  |

| Recommendation  | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation   |
|---|-----------------|---------------------------|------------------------|--|
| that the board of directors maintains its independent, general management and control function. Resolutions on the chairman's or other board members' participation in day-to-day management and the expected duration thereof should be publicly announced.  |                 |                           |                        |  |
| <b>3. Composition and organisation of the board of directors</b>  |                 |                           |                        |  |
| <i>3.1. Composition</i>   |                 |                           |                        |  |
| 3.1.1. The Committee <b>recommends</b> that the board of directors annually evaluate and in the management commentary, account for: <ul style="list-style-type: none"> <li>• the competencies that it must have to best perform its tasks;</li> <li>• the composition of the board of directors; and</li> <li>• the special competencies of each member.</li> </ul> | X               |                           |                        | Our Board of Directors has prepared a board competency profile, which is available on our website.<br><br>Our 2020 Annual Report describes the composition of our Board of Directors, including the individual board member's competences (pages 65-66 of the 2020 Annual Report). |
| 3.1.2. The Committee <b>recommends</b> that the board of directors annually discuss the company's activities to   | X               |                           |                        | Our Board of Directors annually discusses our activities to ensure relevant diversity at   |

| Recommendation  | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation   |
|---|-----------------|---------------------------|------------------------|--|
| ensure relevant diversity at management levels and prepare and adopt a policy on diversity. The policy should be published on the company's website.  |                 |                           |                        | management levels.<br><br>We have a global diversity and inclusion policy, which is available on our website.  |
| 3.1.3. The Committee <b>recommends</b> that the selection and nomination of candidates for the board of directors be carried out through a thorough and transparent process approved by the board of directors. When assessing its composition and nominating new candidates, the board of directors should, in addition to the need for competencies and qualifications, take into consideration the need for integration of new talent and diversity. | X               |                           |                        | Our Nomination & Remuneration Committee prepares recommendations regarding election of candidates for our Board of Directors as described in the terms of reference of the committee available on our website. |
| 3.1.4. The Committee <b>recommends</b> that the notice convening a general meeting where the agenda includes the election of members to the board of directors, include (in addition to the statutory requirements) a description of the qualifications of nominated candidates, including information about the  | X               |                           |                        | Our notice of the annual general meeting is prepared in accordance with the recommendation.  |

| Recommendation   | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation   |
|--|-----------------|---------------------------|------------------------|--|
| <p>candidates'</p> <ul style="list-style-type: none"> <li>• other executive functions, including positions on executive boards, boards of directors and supervisory boards, including board committees, in Danish and foreign enterprises; and</li> <li>• demanding organisational tasks.</li> </ul> <p>Furthermore, it should be indicated if the candidates for the board of directors are considered independent.</p> |                 |                           |                        |  |
| <p>3.1.5. The Committee <b>recommends</b> that members of the company's executive board be not members of the board of directors and that a resigning chief executive officer be not directly elected as chairman or vice chairman for the same company.</p>   | X               |                           |                        | <p>None of the members of our Executive Board are members of our Board of Directors. We have not had instances where a resigning chief executive officer was elected as chairman or deputy chairman of our Board of Directors.</p> |
| <p>3.1.6. The Committee <b>recommends</b> that members of the board of directors elected by the general meeting be up for election every year at the annual general meeting.</p>   | X               |                           |                        | <p>Board members elected by our general meeting are up for election every year at the annual general meeting, see 10.2 of our Articles of Association.</p>   |

| Recommendation   | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation   |
|--|-----------------|---------------------------|------------------------|--|
| 3.2. Independence of the board of directors  |                 |                           |                        |  |
| <p>3.2.1. The Committee <b>recommends</b> that at least half of the members of the board of directors elected by the general meeting be independent persons, in order for the board of directors to be able to act independently of special interests.</p> <p>To be considered independent, this person may not:</p> <ul style="list-style-type: none"> <li>• be or within the past five years have been a member of the executive board, or senior staff member in the company, a subsidiary or an associated company;</li> <li>• within the last five years, have received significant remuneration from the company/group, a subsidiary or an associated company in a different capacity than as member of the board of directors;</li> <li>• represent or be associated with a controlling shareholder;</li> <li>• within the past year, have had significant business relations (e.g. personally or indirectly as partner or employee, shareholder, customer, supplier or member of management in companies with corresponding connection) with the company, a</li> </ul> | X               |                           |                        | <p>It is our assessment that all board members elected by our general meeting are independent.</p> |

| Recommendation   | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation   |
|--|-----------------|---------------------------|------------------------|--|
| <p>subsidiary or an associated company;</p> <ul style="list-style-type: none"> <li>• be or within the past three years have been employed or been a partner in the same company as the auditor elected by the general meeting;</li> <li>• be part of the executive management in a company with cross-management representation in the company;</li> <li>• have been a member of the board of directors for more than 12 years; or</li> <li>• be a close relative with persons who are not considered independent.</li> </ul> <p>Even if a member of the board of directors is not covered by the above criteria, certain conditions may exist that will lead the board of directors to decide that one or more members cannot be regarded as independent.</p> |                 |                           |                        |  |
| <p><i>3.3. Members of the board of directors and the number of other management functions</i></p>  |                 |                           |                        |  |
| <p>3.3.1. The Committee <b>recommends</b> that each member of the board of directors assess the expected time commitment for each function so that the member</p>  | <p>X</p>        |                           |                        | <p>Each member of our Board of Directors is asked to assess the expected time commitment for each function before taking</p> |

| Recommendation  | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation  |
|---|-----------------|---------------------------|------------------------|---|
| <p>does not take on more functions than he/she can complete at a satisfactory level for the company.</p>  |                 |                           |                        | <p>on the responsibility.</p> <p>To guide the members of our Board of Directors in making this assessment, we have assessed the expected time commitment for each function.</p>           |
| <p>3.3.2. The Committee <b>recommends</b> that the management commentary, in addition to the provisions laid down by legislation, includes the following information about the members of the board of directors:</p> <ul style="list-style-type: none"> <li>• the position of the relevant person;</li> <li>• the age and gender of the person in question;</li> <li>• the person’s competencies and qualifications that are relevant to the company;</li> <li>• whether the member is considered independent;</li> <li>• the member’s date of appointment to the board of directors;</li> <li>• expiry of the current election term;</li> </ul> | X               |                           |                        | <p>We refer to pages 65-66 of our 2020 Annual Report and the separate remuneration report available on <a href="https://orsted.com/remuneration2020">orsted.com/remuneration2020</a>.</p> |



| Recommendation  | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation  |
|---|-----------------|---------------------------|------------------------|---|
| <ul style="list-style-type: none"> <li>the member's participation in the meetings on the board of directors and committee meetings;</li> <li>other management functions, including memberships in executive boards, boards of directors; and supervisory boards, including board committees in Danish and foreign enterprises and demanding organisational tasks; and</li> <li>the number of shares, options, warrants and similar owned by the member in the company and other group companies, as well as changes to the member's portfolio of the mentioned securities which have occurred during the financial year.</li> </ul> |                 |                           |                        |   |
| <p>3.3.3. The Committee <b>recommends</b> that the annual evaluation procedure, cf. section 3.5, include an evaluation of what is regarded as a reasonable level for the number of other management functions, where the number, level and complexity of the other individual management functions are taken into account.</p>  | X               |                           |                        | <p>As part of the annual board evaluation in Q4 2020, our Board of Directors discussed and concluded that each of the board members allocates the necessary time to the board work.</p> |

| Recommendation  | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation   |
|---|-----------------|---------------------------|------------------------|--|
| 3.4. Board committees   |                 |                           |                        |  |
| <p>3.4.1. The Committee <b>recommends</b> that the company publish the following on the company's website:</p> <ul style="list-style-type: none"> <li>• the terms of reference of the board committees;</li> <li>• the most important activities of the committees during the year and the number of meetings held by each committee; and</li> <li>• the names of the members of each committee, including the chairmen of the committees, as well as information regarding which members are independent members and which members have special competencies.</li> </ul> | X               |                           |                        | <p>We have established a Nomination &amp; Remuneration Committee and an Audit &amp; Risk committee.</p> <p>The information outlined in the recommendation is available on our website.</p> |
| <p>3.4.2. The Committee <b>recommends</b> that a majority of the members of a board committee be independent.</p>   | X               |                           |                        | <p>We consider all members of our Audit &amp; Risk Committee and Nomination &amp; Remuneration Committee independent in accordance with recommendation 3.2.1.</p>                          |

| Recommendation   | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation   |
|--|-----------------|---------------------------|------------------------|--|
| 3.4.3. The Committee <b>recommends</b> that the members of the board of directors set up among its members an <u>audit committee</u> and that a chairman is appointed who is not the chairman of the board of directors.   | X               |                           |                        | We have established an Audit & Risk Committee and the committee chairman is not the chairman of our Board of Directors.  |
| 3.4.4. The Committee <b>recommends</b> that, prior to the approval of the annual report and other financial reports, the audit committee monitor and report to the board of directors about: <ul style="list-style-type: none"> <li>• significant accounting policies;</li> <li>• significant accounting estimates;</li> <li>• related party transactions; and</li> <li>• uncertainties and risks, including in relation to the outlook for the current year.</li> </ul> | X               |                           |                        | Prior to the approval of our annual report, our Audit & Risk Committee monitors and reports to our Board of Directors about, among other things, the matters covered by the recommendation.    |
| 3.4.5 The Committee recommends that the audit committee: <ul style="list-style-type: none"> <li>• annually assesses the need for an internal audit function and, in such a case, presents mandates and recommendations on selecting, appointing and removing the head of any internal audit function and on the budget of the internal audit function;</li> </ul>  | X               |                           |                        | We have established an internal audit function.<br><br>Our Audit & Risk Committee complies with the recommendation in terms of assessing, ensuring and monitoring the matters set out therein. |

| Recommendation  | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation  |
|---|-----------------|---------------------------|------------------------|---|
| <ul style="list-style-type: none"> <li>ensure that if an internal audit has been established, a description of its functions is approved by the board of directors;</li> <li>ensure that if an internal audit has been established, adequate resources and competencies are allocated to carry out the work; and</li> <li>monitor the executive board's follow-up on the conclusions and recommendations of the internal audit function.</li> </ul>   |                 |                           |                        |   |
| <p>3.4.6. The Committee <b>recommends</b> that the board of directors establish a <u>nomination committee</u>, which is at least, responsible for the following preparatory tasks:</p> <ul style="list-style-type: none"> <li>describing the qualifications required by the board of directors and the executive board and for a given position, indicating the time expected to be spent carrying out a specific position, as well as assessing the competencies, knowledge and experience found in the two governing bodies;</li> <li>annually assessing the structure, size, composition and results of the board of directors and the executive board and recommend any changes to</li> </ul> | X               |                           |                        | <p>We have established a Nomination &amp; Remuneration Committee which, among other things, is responsible for the preparatory tasks set out in the recommendation.</p> |

| Recommendation   | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation  |
|--|-----------------|---------------------------|------------------------|---|
| <p>the board of directors;</p> <ul style="list-style-type: none"> <li>• annually assessing the competencies, knowledge, experience and succession of the individual members of management and report to the board of directors in this respect;</li> <li>• recommending candidates for the board of directors and the executive board; and</li> <li>• proposing an action plan to the board of directors on the future composition of the board of directors, including proposals for specific changes.</li> </ul>   |                 |                           |                        |   |
| <p>3.4.7. The Committee <b>recommends</b> that the board of directors establish a <u>remuneration committee</u>, which is at least, responsible for the following preparatory tasks:</p> <ul style="list-style-type: none"> <li>• recommending the remuneration policy (including the “General Guidelines for incentive-based Remuneration”) to the board of directors and the executive board for approval by the board of directors prior to approval by the general meeting;</li> <li>• making proposals to the board of directors on remuneration for members of the board of directors and the executive board, as well as ensuring that</li> </ul> | X               |                           |                        | <p>We have established a Nomination &amp; Remuneration Committee which, among other things, is responsible for the preparatory tasks set out in the recommendation.</p> |

| Recommendation   | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation   |
|--|-----------------|---------------------------|------------------------|--|
| <p>the remuneration is in compliance with the company's remuneration policy and the assessment of the performance of the persons concerned. The committee should have information on the total remuneration that members of the board of directors and the executive board receive from other companies in the group;</p> <ul style="list-style-type: none"> <li>• recommending a remuneration policy applicable for the company in general; and</li> <li>• assisting with the preparation of the annual remuneration report.</li> </ul> |                 |                           |                        |  |
| <p>3.4.8. The Committee <b>recommends</b> that the remuneration committee do not consult with the same external advisers as the executive board of the company.</p>  | X               |                           |                        | <p>If our Nomination &amp; Remuneration Committee engages external advisers, we ensure that the committee does not use the same advisers as our executive board.</p>         |
| <p><i>3.5. Evaluation of the performance of the board of directors and the executive board</i></p>   |                 |                           |                        |  |
| <p>3.5.1. The Committee <b>recommends</b> that the board of directors establish an evaluation procedure for an annual evaluation of the board of directors and the individual members. External assistance should be obtained at least every third year. The evaluation</p>  | X               |                           |                        | <p>Our Board of Directors performed its annual board evaluation in Q4 2020.</p> <p>The evaluation procedure and the general conclusions are described in our 2020 Annual</p> |

| Recommendation   | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation   |
|--|-----------------|---------------------------|------------------------|--|
| <p>should inter alia include:</p> <ul style="list-style-type: none"> <li>• contribution and results;</li> <li>• cooperation with the executive board,;</li> <li>• the chairman’s leadership of the board of directors;</li> <li>• the composition of the board of directors (including competencies, diversity and the number of members);</li> <li>• the work in the committees and the committee structure; and</li> <li>• the organisation and quality of the material that is submitted to the board of directors.</li> </ul> <p>The evaluation procedure and the general conclusions should be described in the management commentary and on the company’s website. The chairman should account for the evaluation of the board of directors, including the process and general conclusions on the general meeting prior to the election of the board of directors.</p> |                 |                           |                        | Report page 63 and on our website.   |
| 3.5.2. The Committee <b>recommends</b> that at least once annually, the board of directors evaluate the work and performance of the executive board in accordance with pre-defined criteria. Furthermore, the board of directors should evaluate the need for changes to the structure   | X               |                           |                        | Our Board of Directors regularly discusses the structure, composition, work and performance of our Executive Board, including in connection with the annual settlement of the members of the Executive Board’s performance |

| Recommendation   | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation  |
|--|-----------------|---------------------------|------------------------|---|
| and composition of the executive board, in light of the company's strategy.  |                 |                           |                        | agreements.   |
| 3.5.3. The Committee <b>recommends</b> that the executive board and the board of directors establish a procedure according to which their cooperation is evaluated annually through a formalised dialogue between the chairman of the board of directors and the chief executive officer, and that the outcome of the evaluation be presented to the board of directors.   | X               |                           |                        | <p>Our chairman and chief executive officer regularly discuss the cooperation between our Board of Directors and Executive Board.</p> <p>Furthermore, the cooperation between our Board of Directors and Executive Board is covered by our Board of Directors' annual board evaluation, to which our Executive Board also provides input.</p> |
| <b>4. Remuneration of management</b>   |                 |                           |                        |   |
| <i>4.1. Form and content of the remuneration policy</i>  |                 |                           |                        |   |
| <p>4.1.1. The Committee <b>recommends</b> that the board of directors prepare a remuneration policy for the board of directors and the executive board, which includes</p> <ul style="list-style-type: none"> <li>• a detailed description of the components of the remuneration for members of the board of directors and the executive board;</li> <li>• the reasons for choosing the individual components</li> </ul> | X               |                           |                        | <p>Our current remuneration policy was approved at the annual general meeting in March 2020 and complies with Sections 139 and 139a of the Danish Companies Act and the recommendation. The remuneration policy is available on our website.</p>  |



| Recommendation  | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation   |
|---|-----------------|---------------------------|------------------------|--|
| <p>of the remuneration;</p> <ul style="list-style-type: none"> <li>• a description of the criteria that form the basis for the balance between the individual components of the remuneration; and</li> <li>• an explanation for the correlation between the remuneration policy and the company's long-term value creation and relevant related goals.</li> </ul> <p>The remuneration policy should be approved by the general meeting at least every fourth year and upon any material amendments and it should be published on the company's website.</p> |                 |                           |                        |  |
| <p>4.1.2. The Committee <b>recommends</b> that if the remuneration policy includes variable components;</p> <ul style="list-style-type: none"> <li>• limits should be set on the variable components of the total remuneration package;</li> <li>• a reasonable and balanced composition should be maintained between remuneration for members of management and the value creation for shareholders in the short and long term;</li> <li>• clarity should be established about performance criteria and measurability for the award of variable</li> </ul> | X               |                           |                        | <p>Our share program for the Executive Board, which was established in 2016, complies with the recommendation.</p> |

| Recommendation   | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation  |
|--|-----------------|---------------------------|------------------------|---|
| <p>components;</p> <ul style="list-style-type: none"> <li>variable remuneration should not only consists of short-term remuneration components, and that long-term remuneration components must have a vesting or maturity period of at least three years; and</li> <li>the company should have the ability to reclaim, in full or in part, variable components of remuneration that were paid on the basis of information, which subsequently are found to be incorrect.</li> </ul> |                 |                           |                        |   |
| <p>4.1.3. The Committee <b>recommends</b> that remuneration of members of the board of directors does not include share options or warrants.</p>   | X               |                           |                        | <p>The remuneration of the members of our Board of Directors does not include share options or warrants.</p>                                |
| <p>4.1.4. The Committee <b>recommends</b> that if, in relation to long-term incentive programmes, a share-based remuneration is used, the programmes should have a vesting or maturity period of at least three years after being allocated and should be roll-over programmes, i.e. the options should be granted periodically.</p>   | X               |                           |                        | <p>Our share program for the Executive Board complies with the recommendation.</p>  |
| <p>4.1.5. The Committee <b>recommends</b> that the total value of the remuneration relating to the notice period, including severance pay, does not exceed two years of</p>  | X               |                           |                        | <p>If we dismiss a member of our Executive Board, the member is entitled to salary during the notice period (12 months) and a severance</p> |

| Recommendation  | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation  |
|---|-----------------|---------------------------|------------------------|---|
| remuneration, including all components of the remuneration.   |                 |                           |                        | payment (12 months' fixed salary).  |
| <i>4.2. Disclosure of remuneration</i>  |                 |                           |                        |   |
| 4.2.1. The Committee <b>recommends</b> that the company's remuneration policy and compliance with this policy be explained and justified annually in the chairman's statement at the company's general meeting. | X               |                           |                        | Our remuneration report is presented to the annual general meeting for advisory vote in accordance with Section 139b of the Danish Companies Act. As part of the presentation, the chairman of our Board of Directors will also comment on the remuneration policy and the compliance with this policy in accordance with the recommendation. |
| 4.2.2. The Committee <b>recommends</b> that shareholders at the general meeting consider proposals for approval of remuneration for the board of directors for the current financial year.                      | X               |                           |                        | A proposal for approval of remuneration for the Board of Directors for the current financial year is part of the agenda at our annual general meeting. We refer to section 7.3 (item no. 9) of our Articles of Association.   |
| 4.2.3. The Committee <b>recommends</b> that the company prepares a remuneration report that includes information on the total remuneration received by each member of the board of directors and the executive  | X               |                           |                        | We prepare a remuneration report in accordance with Section 139b of the Danish Companies Act and the recommendation. The remuneration report is available on our  |

| Recommendation   | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation    |
|--|-----------------|---------------------------|------------------------|---|
| <p>board from the company and other companies in the group and associated companies for the last three years, including information on the most important content of retention and resignation arrangements and that the correlation between the remuneration and company strategy and relevant related goals be explained.</p> <p>The remuneration report should be published on the company's website.</p> |                 |                           |                        | website.  |
| <b>5. Financial reporting, risk management and audits</b>  |                 |                           |                        |   |
| <i>5.1. Identification of risks and transparency about other relevant information</i>  |                 |                           |                        |   |
| <p>5.1.1. The Committee <b>recommends</b> that the board of directors consider and in the management commentary account for the most important strategic and business-related risks, risks in connection with the financial reporting as well as for the company's risk management.</p>  | X               |                           |                        | We refer to our 2020 Annual Report (pages 70-73). |

| Recommendation  | Ørsted complies | Ørsted complies partially | Ørsted does not comply | How does Ørsted comply with the recommendation   |
|---|-----------------|---------------------------|------------------------|--|
| <i>5.2. Whistleblower scheme</i>  |                 |                           |                        |  |
| 5.2.1. The Committee <b>recommends</b> that the board of directors establish a whistleblower scheme for expedient and confidential notification of serious wrongdoing or suspicions thereof.  | X               |                           |                        | We have established a whistle-blower hotline as described in our 2020 Annual Report (page 68). You can find more information about the hotline on our website.   |
| <i>5.3. Contact to auditor</i>  |                 |                           |                        |  |
| 5.3.1. The Committee <b>recommends</b> that the board of directors ensure regular dialogue and exchange of information between the auditor elected by the general meeting and the board of directors, including that the board of directors and the audit committee meet with the auditor elected by the general meeting at least once annually without the executive board present. This also applies to the internal auditor, if any. | X               |                           |                        | The auditor elected by our general meeting participates in all meetings of our Audit & Risk Committee. The auditor meets with our Board of Directors without the Executive Board present when relevant and at least once a year. |
| 5.3.2. The Committee <b>recommends</b> that the audit agreement and auditor's fee be agreed by the board of directors and the auditor elected by the general meeting based on a recommendation from the audit committee.  | X               |                           |                        | The fee to the auditor elected by our general meeting is assessed annually by our Audit & Risk Committee and presented to our Board of Directors for approval.   |