

GEORGESON'S 2021 AGM SEASON REVIEW

DENMARK (OMX C25)



CERTAINTY

INGENUITY

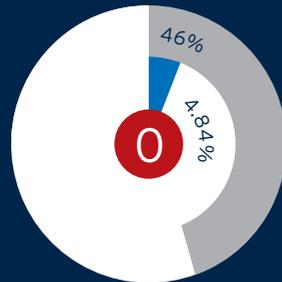
ADVANTAGE

Computershare

Georgeson

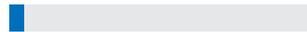
DENMARK (OMX C25)

- Rejected board proposals
- Companies with over 10% oppose
- Resolutions with over 10% oppose



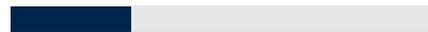
% change in number of contested resolutions (vs 2020)

3.96%



% change in number of ISS negative recommendations (vs 2020)

-28%



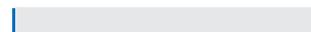
% change in number of Glass Lewis negative recommendations (vs 2020)

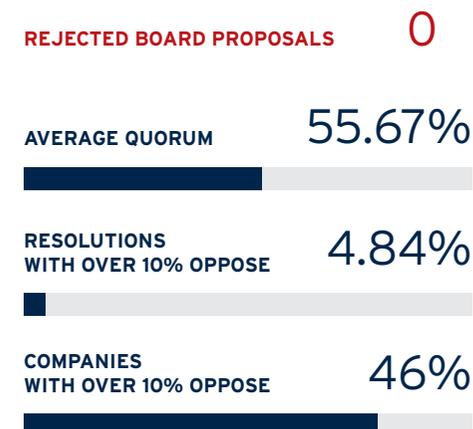
-92%



% of management resolutions with less than 80% support which had a negative ISS or Glass Lewis recommendation

0.66%





- ▶ The average quorum at the AGMs of the OMX C25 companies has decreased from 63.02% in 2020 to 55.67% in 2021.
- ▶ Across the OMX C25 index no board resolutions failed to gather sufficient support.
- ▶ 54% of the OMX C25 companies surveyed received at least one against recommendation from ISS or Glass Lewis.
- ▶ 46% of the OMX C25 companies had at least one contested management resolution (+10% opposition). They received more than 10% shareholder opposition for a total of 22 management resolutions.
- ▶ The most contested resolution type was director elections (63.6%) followed by remuneration report resolutions (13.6%) and article amendments regarding virtual meetings (9.1%).
- ▶ ISS recommended negatively on 22 resolutions (18 management resolutions and 4 shareholder resolutions) in 16 companies.
- ▶ Glass Lewis recommended negatively on 5 resolutions (1 management resolution and 4 shareholder resolutions) in 5 companies.
- ▶ Proxy advisors continue to have a big impact on the outcome of proposals, and there is a clear correlation between negative proxy advisor recommendations and lower vote results.
- ▶ A total of 11 shareholder proposals were filed at the AGMs of the OMX C25 companies. 6 shareholder proposals were passed at the AGMs of Carlsberg, Chr. Hansen Holding, Coloplast, DSV, FLSmidth & Co. and GN Store Nord.

1. Voting in Denmark

1.1 QUORUM OVERVIEW

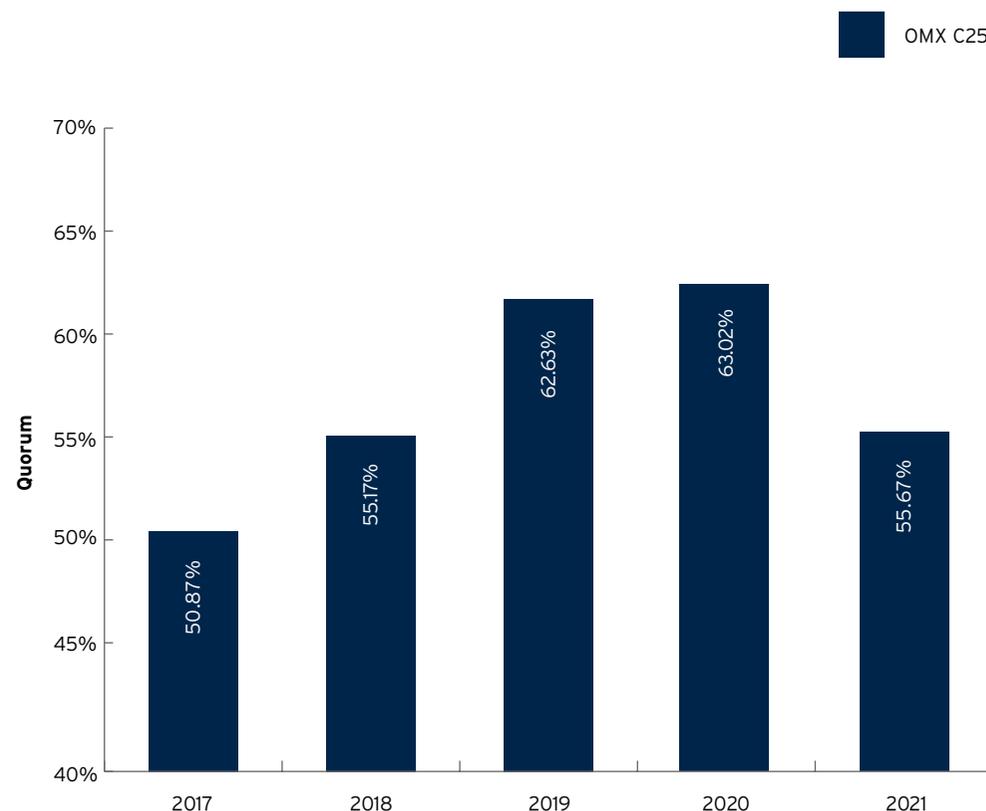
We have reviewed the quorum levels of the OMX C25 companies over the past five years. The survey includes the companies that were part of the index as of 1 July 2021, and which held their AGMs between 1 July 2020 and 30 June 2021.

The average AGM quorum level has increased steadily since 2017, which is a clear indication that shareholders have become increasingly aware of their potential for influence. This trend has been further supported by the implementation of the revised Shareholder Rights Directive (SRD II), which is intended to increase transparency and enhance long-term shareholder engagement.

However, in the 2021 AGM season, the average quorum of the OMX C25 companies decreased from 63.02% in 2020 to 55.67% in 2021.

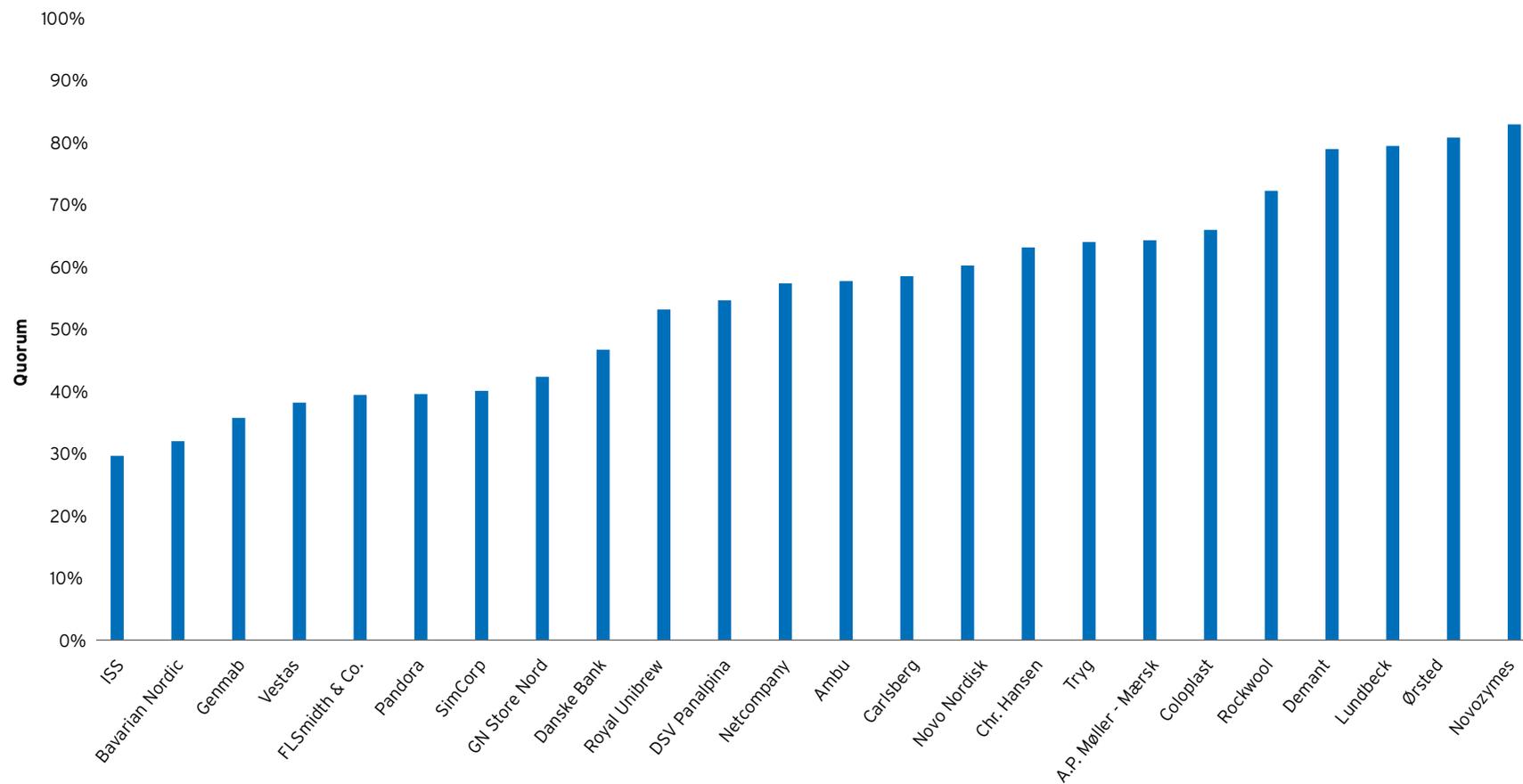
Graph 1:

Average AGM quorum levels in the OMX C25 index between 2017 and 2021.



1. Voting in Denmark

Graph 2:
AGM quorum levels at OMX C25 companies during the 2021 reporting period.



1.2 REJECTED RESOLUTIONS

1.2.1 BOARD RESOLUTIONS

Among the OMX C25 companies in our sample that held their AGM between 1 July 2020 and 30 June 2021, no board resolutions failed to get sufficient support.

1.2.2 SHAREHOLDER PROPOSALS

In the 2021 AGM season, a total of 10 shareholder proposals were filed at the AGMs of Carlsberg, Chr. Hansen, Coloplast, Danske Bank, FISmdth & Co., GN Store Nord, Novo Nordisk and Rockwool International.

5 shareholder proposals were rejected due to insufficient support.

Chr. Hansen Holding

Shareholder proposal from AkademikerPension and LD Fonde:

- (9.a) Going forward and starting from the 2020/21 financial year, the Company must apply the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) as the framework for climate-related disclosure in the Company's Annual Report.

The proposal was rejected with a majority of more than 3/4 of the votes. Both ISS and Glass Lewis recommended voting 'against' the resolution.

Danske Bank

At the AGM of Danske Bank one shareholder proposal was rejected:

- (12.1) Proposal from shareholder regarding possible legal action against Danske Bank's Board of Directors and Executive Leadership Team as well as a named executive vice president and other former members of Danske Bank's management team who were or had been responsible for Danske Bank's debt collection department and the company's external auditors as well as signing auditors.

The proposal was rejected with 99.84% against votes. Both ISS and Glass Lewis recommended voting 'against' the resolution.

Novo Nordisk

At the AGM of Novo Nordisk one shareholder proposal was on the agenda:

- (8.7.a) Proposal from the shareholder Kritiske Aktionærer on making a plan for changed ownership.

The proposal was rejected with 99.41% negative votes. Both ISS and Glass Lewis issued an 'against' recommendation on this resolution.

Rockwool

At the AGM of Rockwool two shareholder proposals were on the agenda:

- (9.d) Shareholder proposal regarding assessment of environmental and community impacts of manufacturing facilities.

The proposal was rejected with 95.56% negative votes. Both ISS and Glass Lewis issued an 'against' recommendation on this resolution.

- (9.e) Disclosure of political contributions.

The proposal was rejected with 95.09% negative votes. Both ISS and Glass Lewis issued a 'for' recommendation on this resolution.

1.2.3 ADOPTED SHAREHOLDER PROPOSALS

In the 2021 AGM season, 5 proposals put forward by shareholders were adopted at the AGMs of Carlsberg, Chr. Hansen, Coloplast, FLSmdth & Co. and GN Store Nord.

Carlsberg

Shareholder proposal from AkademikerPension and LD Fonde:

- (5.d) Proposal to complete and publish a tax transparency feasibility assessment. Shareholders AkademikerPension and LD Fonde propose that the Supervisory Board completes an assessment of the ability of Carlsberg to publish corporate country-by-country tax reporting in line with the Global Reporting Initiative's Standard (GRI 207: Tax 2019) starting from the 2021 financial year. The findings of the assessment should be made public before the AGM in 2022.

The proposal was adopted without an electronic vote being required. Both ISS and Glass Lewis recommended voting 'for' the resolution.

Chr. Hansen Holding

Shareholder proposal from AkademikerPension and LD Fonde:

- (9.b) Proposal from shareholders AkademikerPension and LD Fonde regarding an assessment of the ability of the Company to publish country-by-country tax reporting in line with the Global Reporting Initiative's Standard (GRI 207: Tax 2019) starting from Financial Year 2021/22.

The proposal was adopted with the required majority. Both ISS and Glass Lewis recommended voting 'for' the resolution.

Coloplast

Shareholder proposal from AkademikerPension and LD Fonde:

- (6.3) For the Board of Directors to complete an assessment of the viability of Coloplast to publish corporate country-by-country tax reporting in line with the Global Reporting Initiative's standard (GRO 207: Tax 2019) starting from Financial Year 2021/22. The findings of the assessment should be made public before the AGM in 2021.

DSV

Shareholder proposal from AkademikerPension and LD Fonde:

- Starting from the Financial Year 2021 the Company's climate-related financial disclosures in its yearly reporting shall be categorized as recommended by the Task Force on Climate-related Financial Disclosures (TCFD) or other generally recommended frameworks. In its annual report, the Company shall gradually seek to disclose more information (at reasonable cost, omitting proprietary information) on how it manages financially material climate risks and opportunities.

The proposal was adopted with 98.75% votes in favour. Both ISS and Glass Lewis recommended voting 'for' the resolution.

FLSmdth & Co.

Shareholder proposal from AkademikerPension and LD Fonde:

- Proposal from shareholders AkademikerPension and LD Fonde to publish corporate country-by-country tax reporting in line with the Global Reporting Initiative's standard (GRI 207: Tax 2019) starting from the financial year 2021.

The proposal was adopted with 99.99% votes in favour. Glass Lewis recommended voting 'for' the resolution.

GN Store Nord

Shareholder proposal from AkademikerPension and LD Fonde:

- Proposal from shareholders AkademikerPension and LD Fonde to assess the Company's ability to publish corporate country-by-country tax reporting in line with the Global Reporting Initiative's standard (GRI 207: Tax 2019) starting from the financial year 2021. The findings of the assessment should be made public before the Annual General Meeting in 2022.

The proposal was adopted with 71.53% votes in favour. Glass Lewis recommended voting 'for' the resolution.

1.3 CONTESTED RESOLUTIONS

Among our sample of OMX C25 companies that held their AGM during the reporting period, we saw an increase in the number of companies and number of management resolutions that received more than 10% shareholder opposition.

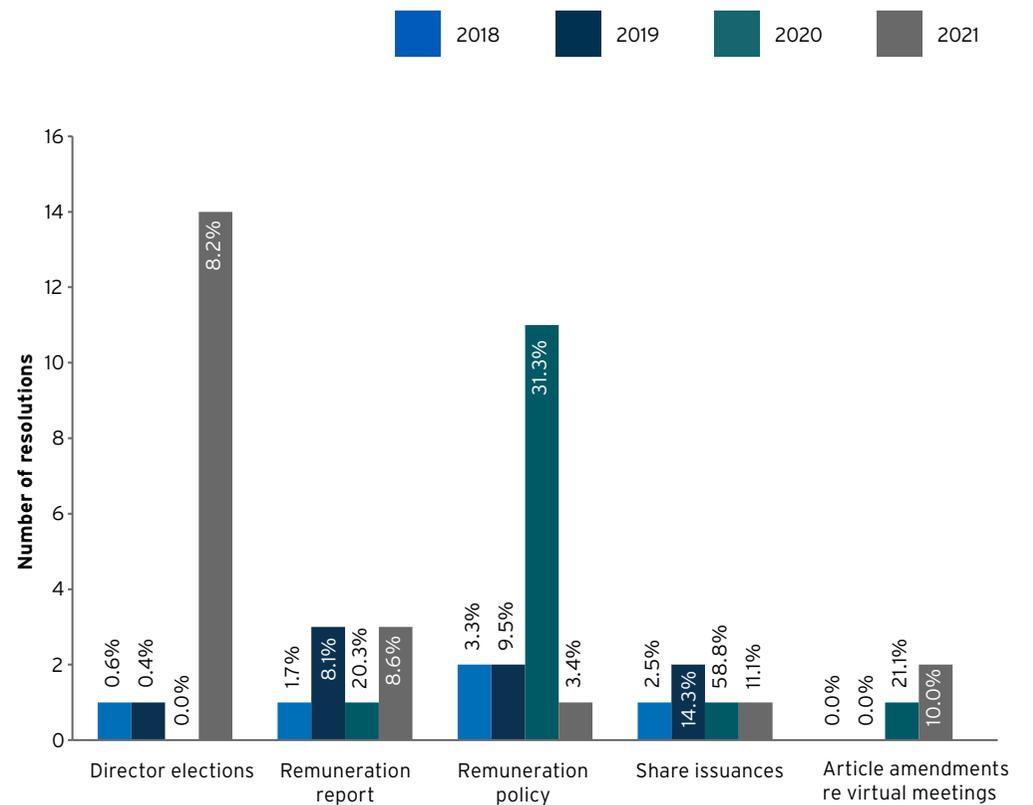
The total number of management resolutions that received more than 10% opposition amounted to 22 in 2021, compared to 10 in 2020. 11 companies saw at least one management-proposed resolution receive more than 10% shareholder opposition compared to 8 in 2020.

The most commonly contested resolutions in 2021 were related to director elections (14 resolutions) followed by remuneration report (3 resolutions), article amendments regarding virtual meetings (2 resolutions), remuneration policy (1 resolution) and share issuance (1 resolution).

Graph 3 summarises the main categories of management resolutions that received more than 10% opposition from shareholders.

Graph 3:

Number of resolutions which received more than 10% against votes in the OMX C25 index (by resolution type) 2018-2021.



1.3.1 DIRECTOR ELECTIONS

During the reporting period, board elections included 14 resolutions (in 10 companies) with less than 90% support. In Denmark, it is generally not possible to vote against proposals that involve elections due to plurality voting requirements.

The companies with the lowest levels of support were the following:

> GN Store Nord

- o Reelection of Jukka Pekka Pertola as Director (34.21% for).

> FLSmidth & Co.

- o Reelection of Vagn Ove Sorensen as Director (63.05% for)

Both ISS and Glass Lewis issued 'for' recommendations for the resolutions.

1.3.2 REMUNERATION REPORT

> Royal Unibrew

- o Approve Remuneration Report (Advisory Vote) (63.32% for).

ISS issued an 'against' recommendation while Glass Lewis issued a 'for' recommendation for the resolution.

> ISS

- o Approve Remuneration Report (Advisory Vote) (84.16% for).

Glass Lewis issued and 'against' recommendation for the resolution.

1.3.3 REMUNERATION POLICY

Among our sample one company saw more than 10% against votes on approval of remuneration policy:

> Genmab

- o Adoption of amended Remuneration Policy for Board of Directors and Executive Management (88.4% for).

Both ISS and Glass Lewis issued 'for' recommendations for the resolution.

1.3.4 AUTHORITIES TO ISSUE SHARES / REPURCHASE SHARES

Among our sample, the companies with more than 10% against votes on approval of equity issuance were:

> Demant

- o Approve Creation of DKK 10 Million Pool of Capital with or without Preemptive Rights; Authorize Conditional Capital of DKK 2.5 Million for Issuance of Shares to Key Employees (89.36% for).

Both ISS and Glass Lewis issued 'against' recommendations for the resolution.

1.3.5 AMENDMENTS TO ARTICLES

> Royal Unibrew

- o Allow Shareholder Meetings to be Held by Electronic Means Only (72.51% for).

ISS issued an 'against' recommendation while Glass Lewis issued a 'for' recommendation for the resolution.

> ISS

- o Allow Shareholder Meetings to be Held by Electronic Means Only (88.82% for).

ISS issued an 'against' recommendation while Glass Lewis issued a 'for' recommendation for the resolution.

2. Proxy advisors

At the end of June 2021, 55.7% of the Danish listed shares were held by foreign investors¹. To an increasing extent, foreign investors rely on proxy advisory firms such as ISS and Glass Lewis for meeting agenda analysis and vote recommendations, and it is therefore very important to stay updated on the proxy advisors' guidelines. A negative recommendation from a proxy advisor can have an adverse impact on the vote outcome of a give resolution.

In the 2021 season, 13 of the OMX C25 companies surveyed received at least one against recommendation from ISS or Glass Lewis for a total of 18 management resolutions.

Of the 10 shareholder proposals (in 8 companies), 4 proposals received against recommendations from both ISS and Glass Lewis.

2.1 INSTITUTIONAL SHAREHOLDER SERVICES (ISS)

Institutional Shareholder Services² (ISS) is a leading provider of corporate governance solutions for asset owners, hedge funds, and asset service providers.

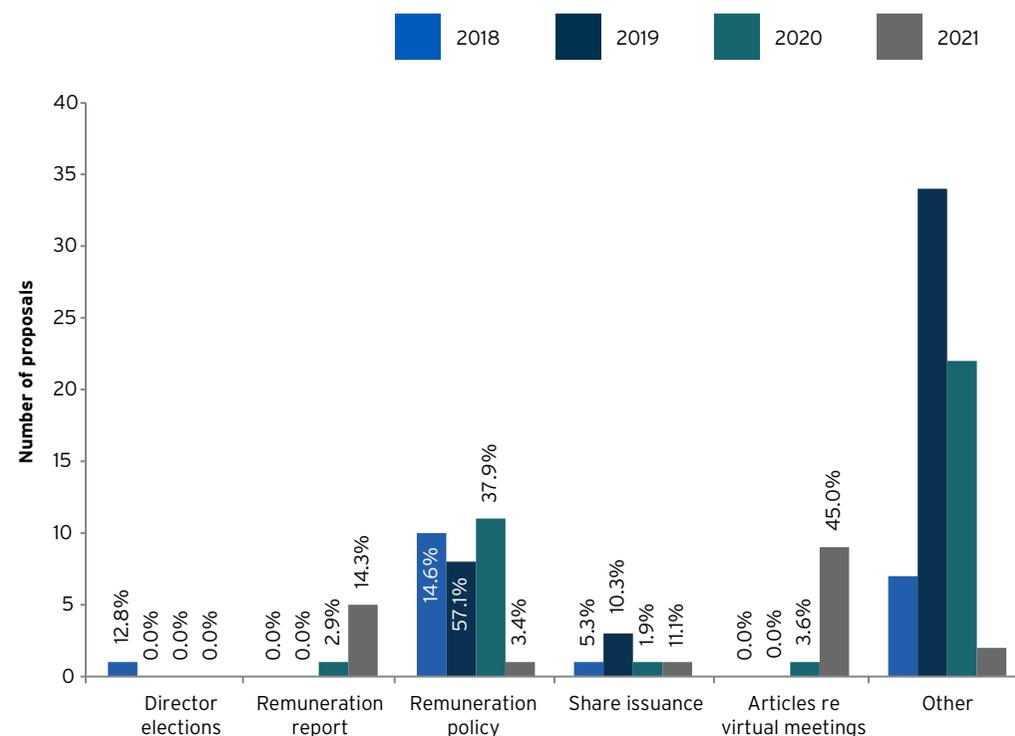
In the 2021 proxy season, 13 of the OMX C25 companies surveyed received at least one against recommendation from ISS for a management resolution.

A total of 22 negative recommendations were issued by ISS of which 18 related to resolutions put forward by management and 4 related to shareholder proposals.

Resolutions regarding article amendments to allow for virtual shareholder meetings received 9 against recommendations, followed by remuneration report resolutions (5 against recommendations).

Graph 1 is an overview of the number of against recommendations on management resolutions by ISS at the OMX C25 AGMs surveyed over the past four years.

Graph 1: Overview of the number of against recommendations by ISS at OMX C25 AGMs over the past four years



¹ <https://nationalbanken.statistikbank.dk/906>

² <http://www.issgovernance.com/about/about-iss/>

2. Proxy advisors

2.2 GLASS LEWIS

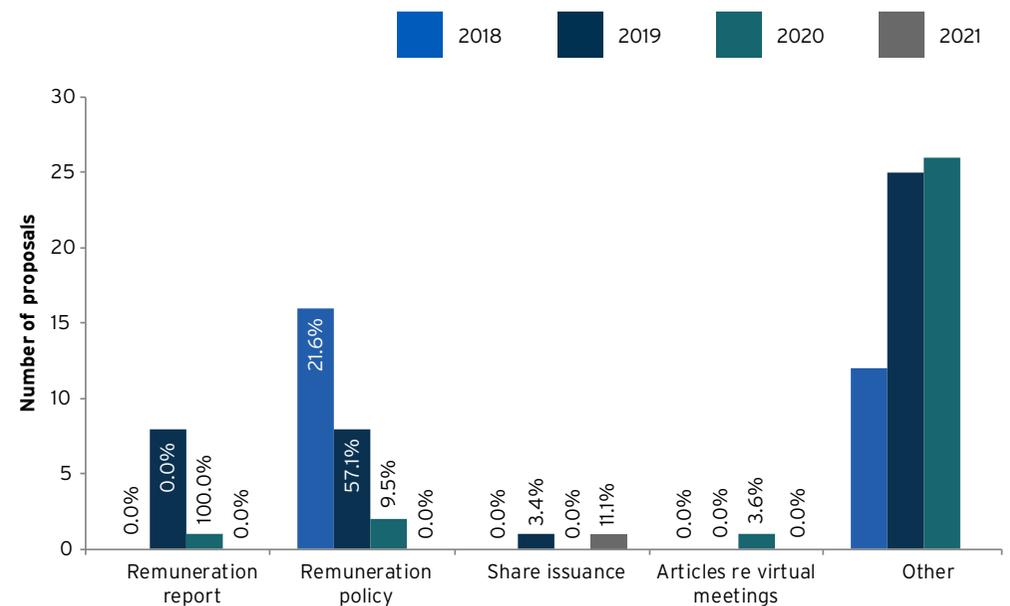
Glass Lewis³ is a leading provider of governance services that support engagement among institutional investors and corporations through its research, proxy vote management and technology platforms.

In the 2021 proxy season, Glass Lewis issued only one against recommendation on resolutions put forward by management compared to 8 in 2020. The against recommendation related to share issuance.

Furthermore, Glass Lewis recommended negatively on 4 shareholder proposals at the AGMs of Chr. Hansen Holding, Danske Bank, Novo Nordisk and Rockwool International.

Below is an overview of the number of negative recommendations on management resolutions by Glass Lewis at the OMX C25 AGMs surveyed over the past four years.

Graph 2: Overview of the number of against recommendations by Glass Lewis at the OMX C25 AGMs over the past four years



³ <http://www.glasslewis.com/about-glass-lewis/>

3. Corporate governance developments

3.1 LEGISLATIVE CHANGES IN RESPONSE TO COVID-19

Virtual AGMs without amendments to the articles of association

Unlike the 2020 AGM season, where a large number of general meetings were postponed due to the COVID-19 outbreak, the 2021 AGM season was prepared for restrictions on public gatherings and social distancing requirements. This allowed for the Danish listed companies to have time to prepare the annual general meetings with hybrid or fully virtual setups while encouraging shareholders to stay at home and participate online and vote by proxy or postal vote.

The Danish Companies Act gives the Board of Directors the opportunity to decide to convene the AGM as a hybrid meeting, whereas a fully virtual AGMs can only be held if the company's articles of association contain provisions that allow for this.

In December 2020, the Danish government approved an amendment to the Danish Companies Act to extend the authority to deviate from provisions in the companies' articles of association requiring that general meetings be held as physical meetings and allow for fully virtual or hybrid general meetings. The extended authority applies until 31 December 2021.

The initiative supports investor engagement and provides companies with an alternative to convene physical AGMs during times of crisis, and we anticipate that it will take AGMs into the digital age on a more permanent basis.

COVID-19 has reinforced the need for companies to have flexible provisions in their articles as regards to the meeting format, and we have encouraged our clients to put these provisions in place to provide flexibility for the future.

84% of the OMX C25 companies surveyed in this year's Proxy Season Review have adopted changes to the articles of association providing the opportunity to convene their AGM by electronic means only.

Postponed deadline for submission of annual report 2020

An executive order, which came into force on 19 May 2021, allowed companies to postpone the reporting of the annual report for the calendar year 2020 by one month to 30 June 2021, as many companies and auditors were extraordinarily busy preparing the annual reports for calendar year 2020 at the same time as final settlement of compensation schemes.

The deadline was further extended to 31 August 2021 for companies that, due to restrictions on public gatherings, could not convene their annual general meeting with physical attendance, and due to the limited ability of the owner or member group to use IT solutions to convene a virtual or hybrid general meeting.

Virtual and hybrid AGMs – the new normal?

The COVID-19 pandemic had significant impact on annual general meetings and has driven increased demand among shareholders for opportunities to engage with companies electronically, including voting and taking part in online AGMs. Virtual or hybrid AGMs facilitate access for all shareholders and create opportunities to interact with investors more effectively, particularly for companies with a geographically diverse shareholder base.

In Denmark, we have seen a significant increase in hybrid and fully virtual meetings kickstarted by COVID-19 and the temporary Danish executive orders that made it possible to convene fully virtual general meetings without it being stated in the company's articles of association.

In the 2021 AGM season, Computershare Denmark conducted 139 annual general meetings, of which 32% were fully virtual without physical attendance. The virtual participation rate was 58%, which is higher than the average for physical annual general meetings.

64% of the OMX C25 companies surveyed in this year's Proxy Season Review held their annual general meeting as a virtual meeting.

3. Corporate governance developments

For the majority of our Danish clients virtual general meetings have been uncharted territory, and our top priority has been to help our customers through all aspects of planning and execution of the general meetings. The feedback from our clients has been very positive, and although the digital opportunities for some companies have been a necessity in order to be able to convene the annual general meeting, the virtual general meeting may well become 'the new normal'.

3.2. IMPLEMENTATION OF THE LAST PART OF THE REVISED EUROPEAN SHAREHOLDER RIGHTS DIRECTIVE (SRD II)

On 3 September 2020, the last provisions of the Shareholder Rights Directive, SRD II, came into force. The provisions aim to make it easier for shareholders to exercise their rights, especially across different markets or countries, encouraging the use of modern technology to aid communication between companies, their shareholders and the intermediaries between them.

> Shareholder identification

SRD II provides listed companies with a right to request certain information from intermediaries (depository banks, central securities depositories, etc.) about their shareholders for the purpose of enabling shareholders to exercise shareholder engagement. Intermediaries will be required to disclose information to facilitate the exercise of shareholder rights.

> Transmission of information

Intermediaries shall transmit information about the AGM including notice and agenda, without delay, from the company to the shareholder or to a third party nominated by the shareholder in a correct and standardized format.

> Facilitating the exercise of shareholder rights

Shareholders can request confirmation of their rights from the last intermediary (any intermediary who provides the securities accounts in the chain of intermediaries for the shareholder). In connection with electronic voting instructions, the person who cast the vote will receive automatic, electronic confirmation from the company that votes have been validly registered and counted.

The directive supports active ownership for the benefit of both shareholders and issuers, and its implementation will lead to a significant change in the entire proxy process and transparency around the actual ownership structure for all issuers in the EU.

3.3 UPDATE OF THE RECOMMENDATIONS FOR CORPORATE GOVERNANCE

The Danish Recommendations for Corporate Governance are best practice guidelines for the management of companies admitted to trading on a regulated market, including NASDAQ OMX Copenhagen. The objective is that the "comply or explain" recommendations are appropriate for such companies and comply with Danish and EU company law, the OECD's Principles of Corporate Governance and recognised best practice.

On 2 December 2020, the Committee for Good Corporate Governance published an update of the recommendations, which took effect for financial years starting on or after 1 January 2021. The first time to report on the updated recommendations will be in connection with financial reporting in 2022.

The Committee has phased out the recommendations on remuneration policy and remuneration report which have been replaced by legal requirements following the implementation of SRD II. The number of recommendations has thus been reduced from 47 to 40.

In connection with annual general meetings, the Committee for Good Corporate Governance recommends that the Board of Directors ensure that shareholders have the opportunity to attend the general meeting via webcast or other digital transmission.

About Computershare and Georgeson

About Computershare Limited (CPU)

Computershare (ASX: CPU) is a global market leader in transfer agency and share registration, employee equity plans, mortgage servicing, proxy solicitation and stakeholder communications. We also specialise in corporate trust, bankruptcy, class action and a range of other diversified financial and governance services. Founded in 1978, Computershare is renowned for its expertise in high integrity data management, high volume transaction processing and reconciliations, payments and stakeholder engagement. Many of the world's leading organisations use us to streamline and maximise the value of relationships with their investors, employees, creditors and customers. Computershare is represented in all major financial markets and has over 12,000 employees worldwide. For more information, visit www.computershare.com

About Georgeson

Established in 1935, Georgeson is the world's original and foremost provider of strategic services to corporations and investors working to influence corporate strategy. We offer unsurpassed advice and representation for annual meetings, mergers and acquisitions, proxy contests and other extraordinary transactions. Our core proxy expertise is enhanced with and complemented by our strategic consulting services, including solicitation strategy, investor identification, corporate governance analysis, vote projections and insight into investor ownership and voting profiles. Our local presence and global footprint allow us to analyse and mitigate operational risk associated with various corporate actions worldwide. For more information, visit www.georgeson.com

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