

ALM. BRAND A/S

**AGENDA
AND
COMPLETE PROPOSALS**

AGENDA

At the annual general meeting to be held on Wednesday, 29 April 2020 at 11:00 a.m. at the Radisson Blu Scandinavia Hotel, Amager Boulevard 70, DK-2300 Copenhagen S, Denmark, the following business will be transacted, see article 6 of the articles of association:

- a. Presentation of the annual report for approval and resolution for the discharge from liability of the Board of Directors and the Management Board.
 - b. Presentation of proposed resolution on the distribution of profit according to the approved annual report.
 - c. Authorisation to acquire own shares.
 - d. Election of members to the Board of Directors.
 - e. Appointment of auditors.
 - f. Any proposals received.
- (1) Proposal from the Board of Directors to amend the company's articles of association.

The following insertions in the articles of association are proposed:

“3 A

Authorisation to increase the share capital with pre-emptive rights

The Board of Directors shall be authorised, with pre-emptive rights to the Company's existing shareholders, to increase the share capital in one or more issues by a nominal amount of up to DKK 236,490,000. The subscription price shall be determined by the Board of Directors. The authorisation shall be valid in the period from 1 May 2020 to 29 April 2025.

3 B

Authorisation to increase the share capital without pre-emptive rights

The Board of Directors shall be authorised, without pre-emptive rights to the Company's existing shareholders, to increase the share capital in one or more issues by a nominal amount of up to DKK 118,245,000. The capital increase shall be effected at market price. The authorisation shall be valid in the period from 1 May 2020 to 29 April 2025.

3 C

Authorisation to issue convertible debt instruments with pre-emptive rights

The Board of Directors shall be authorised, with pre-emptive rights to the Company's existing shareholders, to raise loans in more or more stages against bonds or other debt instruments giving the lender the right to convert its claim into shares in the Company.

The share capital may be increased by conversion of debt under this article by a nominal amount of up to DKK 236,490,000. The authorisation shall be valid in the period from 1 May 2020 to 29 April 2025. The conversion period may be fixed for a period longer than five years after the convertible loan was raised. Any resolution by the Board of Directors to issue convertible debt instruments shall be inserted in the articles of association, and the Board of Directors shall be authorised to make any consequential amendments to the articles of association.

3 D

Authorisation to issue convertible debt instruments without pre-emptive rights

The Board of Directors shall be authorised, without pre-emptive rights to the Company's existing shareholders, to raise loans in more or more stages against bonds or other debt instruments giving the lender the right to convert its claim into shares in the Company. Such convertible debt instruments shall be offered at market terms. The share capital may be increased by conversion of debt under this article by a nominal amount of up to DKK 118,245,000. The authorisation shall be valid in the period from 1 May 2020 to 29 April 2025. The conversion period may be fixed for a period longer than five years after the convertible loan was raised. Any resolution by the Board of Directors to issue convertible debt instruments shall be inserted in the articles of association, and the Board of Directors shall be authorised to make any consequential amendments to the articles of association.

3 E

3 E.1

Shares issued under the authorisation conferred under articles 3 A-3 D shall be negotiable instruments and shall be issued to named holders. No restrictions shall apply to the transferability of the shares. Shares issued under the authorisation shall carry the same rights as existing shares in all respects.

3 E.2

The authority conferred on the Board of Directors under articles 3 A-3 D may be exercised to increase the share capital by a total nominal amount of up to DKK 236,490,000. Subject to resolution by the Board of Directors, the capital increase may be effected by contribution of assets other than cash.

3 E.3

The provisions on partial payment of the share capital do not apply to transactions under articles 3 A-3 D."

(2) Proposal from the Board of Directors to reduce the share capital.

(3) Proposal from the Board of Directors for approval of a remuneration policy for the Alm. Brand Group.

- g. Authorisation to the chairman of the meeting to apply for registration of resolutions.
- h. Any other business.

COMPLETE PROPOSALS

From the Board of Directors to
the annual general meeting

a. Presentation of the annual report for approval and resolution for the discharge from liability of the Board of Directors and the Management Board.

- The Board of Directors proposes that the annual report is approved.
- The Board of Directors proposes that the Board of Directors and the Management Board are discharged from liability.

b. Presentation of proposed resolution on the distribution of profit according to the approved annual report.

The Board of Directors proposes that the profit for the year of DKK 452 million be appropriated to the effect that ordinary dividends of DKK 3.00 per share be paid, equivalent to DKK 460 million. The proposed dividend will imply the application of DKK 8 million of the company's distributable reserves, which amounted to DKK 2,539 million at 31 December 2019.

c. Authorisation to acquire own shares.

The Board of Directors proposes that, for the period until 30 April 2021, the Board of Directors is authorised to allow the company to acquire own shares against consideration for ownership or as collateral, provided that the total nominal value of shares in the company held by the company and its subsidiaries does not exceed, and as a consequence of the acquisition will not exceed, 10% of the share capital. However, the consideration for such shares may not deviate by more than 10% from the official price quoted on NASDAQ Copenhagen A/S at the time of acquisition.

d. Election of members to the Board of Directors.

The Board of Directors currently consists of eight members elected by the shareholders in general meeting and four members elected by the employees. Moreover, alternates are elected for five of the members elected by the shareholders. Pursuant to article 9.2 of the articles of association, board members elected by the shareholders are elected for terms of one year, and retiring board members are eligible for re-election.

e. Appointment of auditors.

The Board of Directors proposes that Deloitte, Statsautoriseret Revisionspartnerselskab is re-appointed. The proposal by the Board of Directors is consistent with the recommendation by the company's audit committee.

f. Any proposals received.

(1) Proposal from the Board of Directors to amend the company's articles of association.

The Board of Directors proposes a resolution to insert in the company's articles of association an authorisation given by the shareholders in general meeting to the Board of Directors to increase the share capital subject to certain specified limits. The insertion proposed reads as follows:

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Authorisation to increase the share capital without pre-emptive rights

The Board of Directors shall be authorised, without pre-emptive rights to the Company's existing shareholders, to increase the share capital in one or more issues by a nominal amount of up to DKK 118,245,000. The capital increase shall be effected at market price. The authorisation shall be valid in the period from 1 May 2020 to 29 April 2025.

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The Board of Directors shall be authorised, with pre-emptive rights to the Company's existing shareholders, to raise loans in more or more stages against bonds or other debt instruments giving the lender the right to convert its claim into shares in the Company. The share capital may be increased by conversion of debt under this article by a nominal amount of up to DKK 236,490,000. The authorisation shall be valid in the period from 1 May 2020 to 29 April 2025. The conversion period may be fixed for a period longer than five years after the convertible loan was raised. Any resolution by the Board of Directors to issue convertible debt instruments shall be inserted in the articles of association, and the Board of Directors shall be authorised to make any consequential amendments to the articles of association.

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Authorisation to issue convertible debt instruments without pre-emptive rights

The Board of Directors shall be authorised, without pre-emptive rights to the Company's existing shareholders, to raise loans in more or more stages against bonds or other debt instruments giving the lender the right to convert its claim into shares in the Company. Such convertible debt instruments shall be offered at market terms. The share capital may be increased by conversion of debt under this article by a nominal amount of up to DKK 118,245,000. The authorisation shall be valid in the period from 1 May 2020 to 29 April 2025. The conversion period may be fixed for a period longer than five years after the convertible loan was raised. Any resolution by the Board of Directors to issue convertible debt instruments shall be inserted in the articles of association, and the Board of Directors shall be authorised to make any consequential amendments to the articles of association.

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Shares issued under the authorisation conferred under articles 3 A-3 D shall be negotiable instruments and shall be issued to named holders. No restrictions shall apply

to the transferability of the shares. Shares issued under the authorisation shall carry the same rights as existing shares in all respects.

3 E.2

The authority conferred on the Board of Directors under articles 3 A-3 D may be exercised to increase the share capital by a total nominal amount of up to DKK 236,490,000. Subject to resolution by the Board of Directors, the capital increase may be effected by contribution of assets other than cash.

3 E.3

The provisions on partial payment of the share capital do not apply to transactions under articles 3 A-3 D.”

The proposed authorisation to the Board of Directors to increase the company's share capital within the limits specified is considered to be customary in and applied by a large number of financial undertakings in Denmark. The limit of the authorisation applying to subscription without pre-emptive rights is reduced to half the limit applying to a capital increase with pre-emptive rights.

(2) Proposal from the Board of Directors to reduce the share capital.

The Board of Directors proposes to the general meeting that the company's nominal share capital be reduced from DKK 1,576,600,000 to DKK 1,541,140,000, equivalent to 3,546,000 shares of DKK 10 each or a total of DKK 35,460,000 nominal value. The share capital will be reduced for the purpose of distribution to shareholders, see section 188 of the Danish Companies Act.

The capital reduction will be effected by cancellation of the company's portfolio of treasury shares acquired under a structured and publicly announced share buyback programme which expires at the end of March 2020 and was approved by the shareholders in general meeting in April 2019. The share buyback programme was completed via an external market maker. The shares were acquired by the company at an average price of DKK 56.40 (rounded up to 2 decimals) per share of DKK 10 each, equivalent to a total amount of DKK 199,994,400. The share capital reduction is effected as a single reduction based on the average purchase price. In addition to the nominal share capital reduction of DKK 35,460,000, the company has distributed an amount of DKK 164,534,400, see section 188(2) of the Danish Companies Act.

The Board of Directors believes that a reduction of the company's share capital may be effected without adversely affecting the company's minority shareholders and creditors. The resolution to reduce the share capital is made by the shareholders in general meeting subject to the majority of votes required for amendment of the articles of association.

The shareholders authorise the Board of Directors to amend article 3.1 of the articles of association, after expiry of the time limit for filing claims set out in section 192 of the Danish Companies Act, in accordance with the resolution to effect the share capital reduction to read as follows:

“The Company's share capital, which has been fully paid up, amounts to DKK 1,541,140,000.00.”

(3) Proposal from the Board of Directors for approval of a remuneration policy for the Alm. Brand Group.

- The company has incorporated the new provisions of sections 139-139b of the Danish Companies Act following from the implementation of the Shareholder Rights Directive on the encouragement of long-term shareholder engagement by the insertion of new provisions in sections 139-139b of the Danish Companies Act.

The provisions of the Danish Companies Act stipulate that a listed company is required to have a remuneration policy for members of the board of directors and members of the management board. Accordingly, the regulation applies only to the Management Board and the Board of Directors of Alm. Brand A/S. Listed companies are furthermore required to prepare a remuneration report which

provides an overall view of the remuneration granted to the individual members of management over the past financial year.

Pursuant to the Danish Financial Business Act, Alm. Brand A/S is already required to prepare a remuneration policy and to subsequently prepare a report on remuneration. In future, this remuneration report must be reviewed at the annual general meeting.

The provisions of the Danish Companies Act on the remuneration policy will apply as from the annual general meeting in 2020. The provisions of the Danish Companies Act on the remuneration report will apply as from the annual general meeting in 2021.

Due to the new provisions in sections 139 and 139a of the Danish Companies Act, it has been relevant to make the following adjustments:

1. Remuneration policy: The Danish designation *lønpolitik* is changed to *vederlagspolitik* (the English equivalent of both terms is remuneration policy). This is done to encompass the broader and more fitting concept used in the Danish Companies Act. This change has resulted in a various consequential editorial changes.
2. Clause 1. Background and purpose: This clause has been expanded and consequential changes have been made to reflect sections 139-139a of the Danish Companies Act. The purpose of the remuneration policy is now also to comply with the requirements of the Danish Companies Act, which only concern members of the Board of Directors and members of the Management Board of Alm. Brand A/S.
3. Clause 4. Remuneration of board members and clause 5. Remuneration of management board members:
Here, new sections have been inserted as a consequence of section 139a of the Danish Companies Act. It is a requirement that all remuneration components granted to members of the Board of Directors and members of the Management Board of Alm. Brand A/S are described. In addition, it must be explained how the remuneration policy and how share-based remuneration contributes to the company's business strategy, long-term interests and sustainability. This is an absolute requirement, whether the remuneration is fixed or variable. However, based on the legislative history, it must be assumed that these requirements are mainly relevant for situations in which board members and management board members are remunerated by way of variable remuneration.

As Alm. Brand remunerates members of Alm. Brand A/S's Board of Directors and Management Board exclusively by way of fixed remuneration, the explanation has been kept quite brief. We have chosen to insert this explanation in clause 4 and clause 5, which concern the remuneration of members of the Board of Directors and members of the Management Board, respectively.

4. Clause 7. One-off fees for executive officers and selected risk takers
The last section has been removed as a consequence of sections 139-139a. Previously, the granting of variable remuneration components to a member of the Management Board of Alm. Brand A/S was subject to the components being approved by the shareholders in general meeting and included in the company's articles of association. It is still a requirement that any variable remuneration of members of the Management Board of Alm. Brand A/S must be approved by the shareholders in general meeting, but now it must be stated in the remuneration policy which, in such case, must contain an explanation of how this variable remuneration component contributes to the company's business strategy, long-term interests and sustainability. It is also a requirement that clear, broad and variable criteria for the grant have been determined. As the variable remuneration component granted to members of the Management Board of Alm. Brand A/S cannot exceed DKK 100,000 p.a., we have chosen for the time being to exclude this option.
5. Clause 11. on guidelines for severance has been amended.
The Committee on Corporate Governance recommends that the value of any remuneration paid to members of the Management Board in connection with severance of service does not exceed the

value of two years' remuneration – irrespective of whether the remuneration is granted in the form of salary or severance payment.

Both in the Danish Companies Act and in the rules governing the financial sector, the so-called “say on pay” principle applies, which means that all remuneration, including remuneration in connection with severance of service, must be specified in the adopted remuneration policy in order for the company to be able to use such remuneration. Accordingly, the remuneration policy describes which remuneration may be granted on severance.

With a view to aligning the remuneration policy with the recommendations issued by the Committee on Corporate Governance, the provision on severance has now been amended. It has now been stipulated that the value of the remuneration in the notice period may total up to the equivalent of two years' remuneration. The remuneration may be in the nature of usual salary and/or a combination of salary and severance payment, it being noted that the severance payment cannot exceed the equivalent of one year's salary.

The limit of two years' remuneration in connection with severance of service is in accordance with the currently applicable termination provisions agreed between Alm. Brand and members of the Management Board and risk takers.

This limit will apply to all executive officers and other risk takers covered by the remuneration policy, which implies that in future no individual may receive remuneration/severance payment exceeding this limit in connection with severance of service.

6. The Danish designation *aflønningsudvalg* is changed to *vederlagsudvalg* (the English equivalent of both terms is remuneration committee).
7. Other amendments are of a purely editorial nature.

g. Authorisation to the chairman of the meeting to apply for registration of resolutions

The Board of Directors proposes that the chairman of the general meeting be authorised to apply for registration of resolutions approved at the general meeting with the relevant authorities and in that connection to make any such minor and insignificant corrections to resolutions as may be required by the authorities for the purpose of registration.

h. Any other business.

Copenhagen, 3 April 2020

THE BOARD OF DIRECTORS