

No.	Recommendation	Reasons for not complying with the recommendations:
1.1.3.	The Committee recommends that the company publishes quarterly reports.	RIAS A/S only publishes Half Year reports and Interim Reports – due to cost and competition considerations.
1.2.1	The Committee recommends that the board of directors organises the company’s general meeting in a manner that allows shareholders, who are unable to attend the meeting in person or are represented by proxy at the general meeting, to vote and raise questions to the management prior to or at the general meeting. The Committee recommends that the board of directors ensures that shareholders can observe the general meeting via webcast or other digital transmission.	If there is open to the public for a general meeting, there will be no digital transmission.
3.1.1.	<p>The Committee recommends that the board of directors on an annual basis reviews and in the management commentary and/or on the company’s website states</p> <ul style="list-style-type: none"> • which qualifications the board of directors should possess, collectively and individually, in order to perform its duties in the best possible manner, and <p>the composition of and diversity on the board of directors.</p>	RIAS A/S’ Board of Directors reviews the work and qualifications of the Board of Directors on an on-going basis. The qualifications of the Board members are not published separately, but the Board of Directors endeavours to ensure diversity of qualifications in the Board of Directors.
3.1.4.	<p>The Committee recommends that the notice convening general meetings, where election of members to the board of directors is on the agenda - in addition to the statutory items - also includes a description of the proposed candidates’</p> <ul style="list-style-type: none"> • qualifications, • other managerial duties in commercial undertakings, including board committees, 	Information about the qualifications of candidates nominated for the Board of Directors forms part of the meeting material accompanying the agenda of the annual general meeting. RIAS A/S has one main shareholder, who owns all the A-shares and thereby represents more than 50% of the votes, and a row of minority shareholders. The ownership structure influences the composition of the Board of Directors and this is reason for partially complying with this recommendation.

	<ul style="list-style-type: none"> • demanding organisational assignments and independence. 	
3.2.1.	<p>The Committee recommends that at least half of the members of the board of directors elected in general meeting are independent in order for the board of directors to be able to act independently avoiding conflicts of interests.</p> <p>In order to be independent, the member in question may not:</p> <ul style="list-style-type: none"> • be or within the past five years have been a member of the executive management or an executive employee in the company, a subsidiary or a group company, • within the past five years have received large emoluments from the company/group, a subsidiary or a group company in another capacity than as member of the board of directors, • represent or be associated with a controlling shareholder, • within the past year have had a business relationship (e.g. personally or indirectly as a partner or an employee, shareholder, customer, supplier or member of a governing body in companies with similar relations) with the company, a subsidiary or a group company, which is significant for the company and/or the business relationship, • be or within the past three years have been employed with or a partner in the same company as the company's auditor elected in general meeting, • be a CEO in a company with cross-memberships in the company's management, 	<p>RIAS A/S has one main shareholder, who owns all the A-shares and thereby represents more than 50% of the vote, and a row of minority shareholders. The ownership structure influences the composition of the Board of Directors and this is reason for not complying with this recommendation.</p>

	<ul style="list-style-type: none"> • have been a member of the board of directors for more than twelve years, or • be closely related to persons, who are not independent, cf. the above-stated criteria. <p>Even if a member of the board of directors does not fall within the above-stated criteria, the board of directors may for other reasons decide that the member in question is not independent.</p>	
3.4.1.	<p>The Committee recommends that the management describes in the management commentary:</p> <ul style="list-style-type: none"> • the board committees' most significant activities and number of meetings in the past year, and • the members on the individual board committees, including the chairperson and the independence of the members of the committee in question. <p>In addition, it is recommended that the board committees' terms of reference are published on the company's website.</p>	<p>Due to the size of the Board of Directors and the Board Members' qualifications, the Board of Directors has decided not to establish a board committee. The Board of Directors itself manages all such functions of such board committee.</p>
3.4.2.	<p>The Committee recommends that board committees solely consist of members of the board of directors and that the majority of the members of the board committees are independent.</p>	<p>RIAS A/S has one main shareholder, who owns all the A-shares and thereby represents more than 50% of the votes, and a row of minority shareholders. The ownership structure influences the composition of the Board of Directors and this is reason for not complying with this recommendation.</p>
3.4.3.	<p>The Committee recommends that the board of directors establishes an audit committee and appoints a chairperson of the audit committee, who is not the chairperson of the board of directors. The Committee</p>	<p>Due to the size of the Board of Directors, the Board of Directors itself manages all functions of the audit committees. The Board of Directors in RIAS A/S evaluates that the audit committee possesses sufficient financial qualifications, including special knowledge of accounting and auditing issues in a company noted</p>

recommends that the audit committee, in addition to its statutory duties, assists the board of directors in:

- supervising the correctness of the published financial information, including accounting practices in significant areas, significant accounting estimates and related party transactions,
- reviewing internal control and risk areas in order to ensure management of significant risks, including in relation to the announced financial outlook,
- assessing the need for internal audit,
- performing the evaluation of the auditor elected by the general meeting,
- reviewing the auditor fee for the auditor elected by the general meeting,
- supervising the scope of the non-audit services performed by the auditor elected by the general meeting, and
- ensuring regular interaction between the auditor elected by the general meeting and the board of directors, for instance, that the board of directors and the audit committee at least once a year meet with the auditor without the executive management being present.

If the board of directors, based on a recommendation from the audit committee, decides to set up an internal audit function, the audit committee must:

- prepare terms of reference and recommendations on the nomination, employment and dismissal of the head of the internal audit function and on the budget for the department,

at the stock exchange. Due to the size of the Board of Directors, the Chairman has also been elected Chairman of the audit committee.

	<ul style="list-style-type: none"> • ensure that the internal audit function has sufficient resources and competencies to perform its role, and <p>supervise the executive management’s follow-up on the conclusions and recommendations of the internal audit function.</p>	
3.4.4.	<p>The Committee recommends that the board of directors establishes a nomination committee to perform at least the following preparatory tasks:</p> <ul style="list-style-type: none"> • describing the required qualifications for a given member of the board of directors and the executive management, the estimated time required for performing the duties of this member of the board of directors and the competencies, knowledge and experience that is or should be represented in the two management bodies, • on an annual basis evaluating the board of directors and the executive management’s structure, size, composition and results and preparing recommendations for the board of directors for any changes, • in cooperation with the chairperson handling the annual evaluation of the board of directors and assessing the individual management members’ competencies, knowledge, experience and succession as well as reporting on it to the board of directors, • handling the recruitment of new members to the board of directors and the executive management and nominating candidates for the board of directors' approval, • ensuring that a succession plan for the executive management is in place, 	Please refer to the above mentioned recommendation.

	<ul style="list-style-type: none"> • supervising executive managements' policy for the engagement of executive employees, and <p>supervising the preparation of a diversity policy for the board of directors' approval.</p>	
3.5.1.	<p>The Committee recommends that the board of directors once a year evaluates the board of directors and at least every three years engages external assistance in the evaluation. The Committee recommends that the evaluation focuses on the recommendations on the board of directors' work, efficiency, composition and organisation, cf. recommendations 3.1.-3.4. above, and that the evaluation as a minimum always includes the following topics:</p> <ul style="list-style-type: none"> • the composition of the board of directors with focus on competencies and diversity • the board of directors and the individual member's contribution and results, • the cooperation on the board of directors and between the board of directors and the executive management, • the chairperson's leadership of the board of directors, • the committee structure and the work in the committees, • the organisation of the work of the board of directors and the quality of the material provided to the board of directors, and <p>the board members' preparation for and active participation in the meetings of the board of directors.</p>	<p>The company's chairman and the vice-chairman regularly assess whether the Board of Director's composition and cooperation and the individual members' preparation for and active participation in the meetings are satisfactory, just as the Board regularly accesses the organisation of the Board's work and the quality of the Board's documentation. However, due to the size of the company, a formalized board evaluation is not carried through, which is why external assistance is not included either for this.</p>
3.5.2.	<p>The Committee recommends that the entire board of directors discusses the result of the evaluation of the board of directors and that</p>	<p>Please refer to the above mentioned recommendation.</p>

	the procedure for the evaluation and the general conclusions of the evaluation are described in the management commentary, on the company's website and at the company's general meeting.	
4.1.2.	The Committee recommends that share-based incentive schemes are revolving, i.e. that they are periodically granted, and that they primarily consist of long-term schemes with a vesting or maturity period of at least three years.	The Executive Board does not receive share-based remuneration.