



Rules of Procedure for the Audit Committee

Topdanmark A/S

Rules of Procedure for the Audit Committee

Set up by the Board of Directors of Topdanmark A/S ("the Company")

Article 1

Objectives:

The Audit Committee is a Board committee intended to monitor the Company's accounting process and the statutory audit of the annual report and the group accounts.

The Audit Committee has been set up in accordance with Article 5 of the rules of procedure for the Board of Directors.

The objective of the work of the Audit Committee shall be to make an independent evaluation of whether the Company's accounts presentation, internal control, risk management and statutory audit are appropriate exercising the appropriate independence and integrity in respect of the Company's and Group's size and complexity.

The Audit Committee has been established as a joint committee for the Topdanmark Group, cf. Article 31 in The Danish Public Accountants Act.

Article 2

Composition and competence

The Audit Committee shall comprise 2 - 3 members. Its members shall be appointed by the Board of Directors from among the Company's relevant Board members. The members of the Audit Committee shall be appointed at the first Board meeting after the Company's Annual General Meeting.

The members of the Audit Committee shall be elected for one year but may be removed at any time by the Board of Directors. The Chairman of the Audit Committee shall be elected by the Board of Directors.

At least one member shall be qualified within accounting or auditing. Furthermore and in the Board of Directors' opinion, the election of the members of the Audit Committee shall take into consideration the competences considered relevant to the Topdanmark Group of companies and necessary in order that the Committee may function as intended.

If a member retires from the Company's Board of Directors, this member shall at the same time retire from the Audit Committee.

Article 3

Notice of Committee meetings

The Audit Committee shall be convened by its Chairman, or secretary as agreed with the Chairman, by written notice to each member. Any member of the Audit Committee and the Company's internal audit manager may demand that an Audit Committee meeting be held.

The Audit Committee shall hold ordinary meetings every three months. The meetings must be convened with the required notice, in accordance with a meeting plan decided in advance by the Audit Committee. Extraordinary meetings shall as far as possible be convened at eight days' notice.

The meetings of the Audit Committee shall, wherever possible, be held immediately before the Board meetings enabling the Committee to report to the Board at the shortest possible interval and always prior to the Board's transaction or adoption of matters within the Committee's task description, including adoption of the Company's annual report, half-year report, quarterly reports or other significant financial reporting.

Proposals submitted by a Committee member shall be considered by the Audit Committee.

Proposals which a Committee member wants to be submitted to the Audit Committee shall be sent to the Chairman.

In consultation with the Chairman, the secretary of the Audit Committee shall prepare an agenda to be distributed as soon as possible before the meeting is held. Any written material shall as far as possible be enclosed with the agenda with a clear indication of the item on the agenda it refers to.

The Committee shall consider at the time whether Management, the internal audit manager, the external auditor or other relevant people in the Company need to attend the Audit Committee meeting. Members of the Management are not entitled to attend the meetings of the Audit Committee unless requested by the Audit Committee in advance.

Article 4

Meetings

The Chairman shall preside over the meetings.

The Audit Committee shall constitute a quorum when the majority of its members are present. It shall have no independent decision-making authority but shall prepare decisions to be made by the entire Board of Directors. Therefore the Audit Committee shall only make decisions on

recommendations to the Company's Board of Directors. Decisions shall be made by ordinary majority.

Audit Committee meetings attended by one or more members of the Company's Board of Directors must always finish with a final agenda item discussed without the presence of members of the Company's Board of Directors.

Minutes shall be taken by the secretary of the Audit Committee and shall be signed by all the members present. The minutes shall state the matters dealt with, give an account of the discussions, state the Committee's recommendations to the Company's Board of Directors as well as time and place for future meetings.

Any Committee member who may not agree with a Committee recommendation made to the Company's Board of Directors or with other matters is entitled to have its opinion entered in the minutes.

An extract of the minutes shall be sent to the Committee members as soon as possible after the meeting and any comments on the minutes shall be submitted to the secretary of the Audit Committee in order that the final minutes be sent to the Board of Directors before the first Board meeting after the Audit Committee meeting. The Audit Committee is subject to the same confidentiality as the Board of Directors, see Article 12 of the Rules of Procedure for the Board of Directors.

Article 5

Tasks

The tasks of the Audit Committee are:

- 1) to monitor the process of accounts preparation, including recommendations or suggestions in order to ensure integrity*
- 2) to monitor the efficiency of the Company's internal control system, internal audit and risk management systems*
- 3) to receive reporting on incidents from the whistleblower function*
- 4) to monitor and advise the Board of Directors of the conclusion made the statutory audit of the annual accounts etc., including internal auditing*
- 5) to monitor and control the auditor's independence and approve assistance apart from audit by the auditors*

6) to be responsible for the recruitment process and recommendation to the Board of Directors to be used for the Board's nomination of a candidate for the external auditor election at the Annual General Meeting

7) to monitor other matters relating to accounting, auditing standards and the Company's related procedures which the Audit Committee, at its own discretion, considers to be necessary

8) other tasks which are regularly delegated by the Board of Directors

When preparing its tasks the Audit Committee shall monitor that matters important for each of the Topdanmark Group's companies are taken into consideration

The Audit Committee shall prepare a working plan for the financial year to be adopted by the Company's Board of Directors.

Article 6

Reporting to the Board of Directors

At each of the Company's Board meetings the Audit Committee shall inform the Board of Directors of the discussions of the Committee and submit its recommendations to the Board.

The Audit Committee shall also submit matters important to each individual company of the Group to the Board of Directors of the relevant company.

The Board members and the internal audit manager shall receive minutes from the Committee meetings with copy of the relevant material submitted to or prepared by the Audit Committee. The minutes shall be available before the first Board meeting after the Committee meeting

Article 7

Other matters

The Audit Committee is entitled to ask for legal, accounting and other types of advice and assistance from external experts which is necessary for the Committee to perform its duties and responsibilities.

The means and facilities shall be made available for the Audit Committee which it reasonably considers necessary to perform its tasks, including secretarial assistance.

Article 8

Remuneration

The members of the Audit Committee shall receive remuneration for its committee work. The limits of the remuneration shall be adopted at the Company's Annual General Meeting.

Article 9

Annual review

The Audit Committee shall regularly and at least once a year reconsider these Rules of Procedure to ensure that they continue to meet the statutory requirements, good practice etc. and shall report on this to the Company's Board of Directors. The evaluation shall include proposals for any amendments to these Rules of Procedure.

Thus adopted at the Board meeting on 22 October 2018

_____	_____	_____
Thorbjörn Magnussen	Jens Aaløse	Tina Møller Carlsson

_____	_____	_____
Mette Jensen	Petri Niemisvirta	Lone Møller Olsen

_____	_____	_____
Annette Sadolin	Søren Vestergaard	Ricard Wennerklint

