

Report regarding the recommendations issued by the Committee on Corporate Governance – 2014/15

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation for the following reason:
1. Communication and interaction by the company with its investors and other stakeholders			
<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 in order for the shareholders to gain relevant insight into the company's potential and policies, and in order for the board of directors to be aware of the shareholders' views, interests and opinions on the company.	X		<p>Matas is committed to maintain a constructive dialogue and a high level of transparency when communicating with its shareholders and other stakeholders.</p> <p>Matas has adopted a communication and stakeholder policy, an investor relations policy and a corporate social responsibility policy. In addition to the investor relations policy and our communication and stakeholder policy, the Board of Directors has approved a set of internal rules aimed to ensure that the disclosure of information complies with the applicable stock exchange regulations. All company announcements are published via NASDAQ OMX Copenhagen and can subsequently be accessed from our website, www.matas.dk. All announcements are published in Danish and English.</p>
1.1.2. THE COMMITTEE RECOMMENDS that the board of directors adopt policies on the company's relationship with its stakeholders, including shareholders and	X		<p>Matas has adopted a communication and stakeholder policy, an investor relations policy and a corporate social responsibility policy. The Board of Directors ensures that stakeholders' interests and roles are respected in accordance with these policies in order to secure added value for all stakeholders in both the short and long term. The audit committee has assessed the need for a tax policy and has not</p>

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other investors, and that the board ensures that the interests of the shareholders are respected in accordance with company policies.			<p>According to section 107b (1)(3) of the Financial Statements Act, the company must state the reason for not complying with certain parts of the recommendations. Here, it is possible for the company to state why a certain recommendation has not been complied with, and what has been done instead.</p> <p>The company is not obliged to explain if a recommendation has been complied with. However, it may be advantageous to do so as it shows what the company is doing to comply with a certain recommendation. This may also be stated here.</p> <p>deemed it necessary to have such a policy in view of the simple business model with one segment in one market.</p> <p>Matas focuses on corporate social responsibility and constantly seeks to create business value while ensuring proper working conditions for its employees and conducting its business in a lawful manner.</p>
1.1.3. THE COMMITTEE RECOMMENDS that the company publish quarterly reports.	X		Matas publishes quarterly and annual reports. Investor presentations and telephone conferences are held following the publication of each interim and annual report to provide participants with the opportunity to ask questions to our Executive Management. Audio casts of such presentations by our Executive Management will subsequently be available on our website, www.matas.dk . Investors may also contact our investor relations department to obtain additional information.
1.2. General meeting			
1.2.1. THE COMMITTEE RECOMMENDS that, when organising the company's general meeting, the board of directors plans the meeting to support active ownership.	X		<p>The Board of Directors promotes active ownership and attendance at general meetings by among other things striving to ensure that the general meeting is planned in a manner that encourages active ownership by the shareholders.</p> <p>All shareholders shall be entitled to have specific business considered at the annual general meeting, provided that a written request to that effect is submitted to the Board of Directors no later than six weeks prior to the general meeting. At general meetings, the attending shareholders shall be able to ask questions to the Board of Directors and the Executive Management concerning the items on the agenda.</p>

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1.2.2. THE COMMITTEE RECOMMENDS that proxies granted for the general meeting allow shareholders to consider each individual item on the agenda.	X		Proxies allow shareholders to consider each individual item on the agenda.
1.3. Takeover bids			
1.3.1. THE COMMITTEE RECOMMENDS that the company set up contingency procedures in the event of takeover bids from the time that the board of directors has reason to believe that a takeover bid will be made. According to such contingency procedures, 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.	X		Matas has adopted contingency procedures in the event of takeover bids according to which the Board of Directors in case it obtains knowledge that a takeover bid will be submitted or is likely to be submitted will not make decisions or initiate defence measures without the prior approval of the general meeting.
2. Tasks and responsibilities of the board of directors			
2.1. Overall tasks and responsibilities			
2.1.1. THE COMMITTEE RECOMMENDS that at least once a year the board of directors take a position on the matters related to the board's performance of its responsibilities.	X		Once a year, the Board of Directors determines its most important tasks in relation to the financial and managerial supervision of the company, including the way in which it intends to supervise the work of the Executive Management.

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2.1.2. THE COMMITTEE RECOMMENDS that at least once a year the board of directors take a position on the overall strategy of the company with a view to ensuring value creation in the company.	X		Once a year, the Board of Directors lays down the strategic objectives of the company with a view to ensuring value creation in the company.
2.1.3. THE COMMITTEE RECOMMENDS that the board of directors ensure that the company has a capital and share structure ensuring that the strategy and long-term value creation of the company are in the best interest of the shareholders and the company, and that the board of directors presents this in the management commentary on the company's annual report and/or on the company's website.	X		Once a year, the Board of Directors assesses whether the share capital and the share capital structure is in accordance with the shareholders' interests. The Board of Directors will include any assessment in the annual report. The company has one single class of shares and all shares rank pari passu.
2.1.4. THE COMMITTEE RECOMMENDS that the board of directors annually review and approve guidelines for the executive board; this includes establishing requirements for the executive board on timely, accurate and adequate reporting to the board of directors.	X		The Board of Directors has issued rules of procedure for the Executive Management applicable to the overall duties, obligations and liabilities of the Executive Management including specific authorisations within which the Executive Management may transact business. The rules of procedures and authorisations are subject to annual evaluation, update and approval by the Board of Directors.

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2.1.5. THE COMMITTEE RECOMMENDS that at least once a year the board of directors discuss the composition of the executive board, as well as developments, risks and succession plans.	X		The rules of procedure for the Executive Management include requirements for the Executive Management's timely, accurate and adequate reporting to the Board of Directors.
2.1.6. THE COMMITTEE RECOMMENDS that once a year the board of directors discuss the company's activities to ensure relevant diversity at management levels, including setting specific goals and accounting for its objectives and progress made in achieving the objectives in the management commentary on the company's annual report and/or on the website of the company.	X		The Board of Directors annually discusses the composition of the Executive Management as well as developments, risks and succession plans.
2.2. Corporate social responsibility			
2.2.1. THE COMMITTEE RECOMMENDS that the board of directors adopt policies on corporate social responsibility.	X		Once a year, the Board of Directors discusses the company's activities to ensure relevant diversity at management levels and set measurable objectives.
2.3. Chairman and vice chairman of the board of directors			

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation for the following reason:
2.3.1. THE COMMITTEE RECOMMENDS 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.	X		Immediately after the annual general meeting, a board meeting is held for the purpose of electing a chairman and a deputy chairman. The role of the deputy chairman is in accordance with the recommendation.
2.3.2. THE COMMITTEE RECOMMENDS ensuring that, if the board of directors, in exceptional cases, asks the chairman of the board of directors to perform special operating activities for the company, including briefly participating in the day-to-day management, a board resolution to that effect be passed to ensure that the board of directors maintains its independent, overall management and control function. Resolutions on the chairman's participation in day-to-day management and the expected duration hereof should be published in a company announcement.	X		The chairman of the Board of Directors shall not assume special tasks for the company or participate in the day-to-day management, unless and as an exception there is a special need therefor, in which case such assignment or managerial involvement shall be subject to prior approval of the Board of Directors and be confined to a limited period of time.
3. Composition and organisation of the board of directors			
<i>3.1. Composition</i>			
3.1.1. THE COMMITTEE RECOMMENDS that the board of directors annually accounts for <ul style="list-style-type: none"> the skills it must have to best perform its tasks, 	X		With input from the nomination committee, the Board of Directors annually reviews the qualifications, experience and competencies required of board candidates in order for the Board of Directors to best perform its tasks, taking into account the company's needs and the current composition of the Board of Directors.

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<ul style="list-style-type: none"> the composition of the board of directors, and the special skills of each member. 			<p>Nomination of candidates to be submitted to the annual general meeting shall be prepared in light hereof.</p> <p>A description of the composition of the Board of Directors, including diversity and special skills necessary is included in the annual report.</p>
<p>3.1.2. THE COMMITTEE RECOMMENDS that the selection and nomination of candidates for the board of directors be carried out through a thoroughly transparent process approved by the overall board of directors. When assessing its composition and nominating new candidates, the board of directors must take into consideration the need for integration of new talent and diversity in relation to age, international experience and gender.</p>	X		<p>Nomination of candidates to be submitted to the annual general meeting shall be prepared in light of the competences specified. Each nomination shall always be accompanied by detailed explanations and background information concerning the person in question. The Board of Directors shall take the need for integration of new talent and diversity into consideration when evaluating its composition and, further, take into account the objectives laid down in the company's policy for gender representation.</p>
<p>3.1.3. THE COMMITTEE RECOMMENDS that a description of the nominated candidates' qualifications, including information about the candidates'</p> <ul style="list-style-type: none"> other executive functions, e.g. memberships in executive boards, boards of directors, and supervisory boards, including board committees in foreign enterprises, be accompanied by the notice convening the general meeting when 	X		<p>A description of the nominated candidates' qualifications, including information about other board functions and whether the candidates can be considered independent, shall be sent out with any notice convening the annual general meeting.</p>

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<p>election of members to the board of directors is on the agenda.</p> <ul style="list-style-type: none"> • demanding organisational tasks, and information • about whether candidates to the board of directors are considered independent. 			<p>According to section 107b (1)(3) of the Financial Statements Act, the company must state the reason for not complying with certain parts of the recommendations. Here, it is possible for the company to state why a certain recommendation has not been complied with, and what has been done instead.</p> <p>The company is not obliged to explain if a recommendation has been complied with. However, it may be advantageous to do so as it shows what the company is doing to comply with a certain recommendation. This may also be stated here.</p>
<p>3.1.4. THE COMMITTEE RECOMMENDS that the company's articles of association stipulate a retirement age for members of the board of directors.</p>	X		<p>The members of the Board of Directors elected by the general meeting shall be elected for a term of one year. Re-election of board members may take place. Only persons who are younger than 70 years at the time of election may be elected to the Board of Directors.</p>
<p>3.1.5. THE COMMITTEE RECOMMENDS 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>All members of the Board of Directors elected by the annual general meeting stand for election each year at the annual general meeting.</p>
<p>3.2 Independence of the board of directors</p>			
<p>3.2.1. THE COMMITTEE RECOMMENDS 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>	X		<p>More than half of the shareholder-elected board members are deemed independent according to the definitions outlined in the recommendation.</p>

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation for the following reason:
<ul style="list-style-type: none"> • be or within the past five years have been member of the executive board, or senior staff member in the company, a subsidiary undertaking or an associate, • within the past five years, have received larger emoluments from the company/group, a subsidiary undertaking or an associate in another capacity than as member of the board of directors, • represent the interests of a controlling shareholder, • within the past year, have had significant business relations (e.g. personal or indirectly as partner or employee, shareholder, customer, supplier or member of the executive management in companies with corresponding connection) with the company, a subsidiary undertaking or an associate. • be or within the past three years have been employed or partner at the external auditor, • have been chief executive in a company holding cross-memberships with the company, • have been member of the board of directors for more than 12 years, or • have been close relatives with persons who are not considered independent. 			<p>According to section 107b (1)(3) of the Financial Statements Act, the company must state the reason for not complying with certain parts of the recommendations. Here, it is possible for the company to state why a certain recommendation has not been complied with, and what has been done instead.</p> <p>The company is not obliged to explain if a recommendation has been complied with. However, it may be advantageous to do so as it shows what the company is doing to comply with a certain recommendation. This may also be stated here.</p>

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<p>3.3. Members of the board of directors and the number of other executive functions</p>			
<p>3.3.1. THE COMMITTEE RECOMMENDS that each member of the board of directors assess the expected time commitment for each function in order that the member does not take on more functions than he/she can manage satisfactorily for the company.</p>	X		<p>All members of the Board of Directors assess their expected time commitment and do not consider that they hold more positions than they can manage satisfactorily for the company.</p>
<p>3.3.2. THE COMMITTEE RECOMMENDS 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"> • the position of the relevant person, • the age and gender of the relevant person, • whether the member is considered independent, • the date of appointment to the board of directors of the member, • expiry of the current election period, • other executive functions, e.g. memberships in executive boards, boards of directors, and supervisory boards, including board committees in foreign enterprises and • demanding organisational tasks, and 	X		<p>The management report in the annual report contains all information recommended, including information on the board members' occupation, the members' other executive functions, e.g. memberships of executive boards, boards of directors and supervisory boards, including board committees in foreign companies as well as demanding organisational tasks, and the number of shares, options, warrants, etc. that the member holds in the company and its consolidated companies and any changes in such holdings during the financial year.</p>

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<ul style="list-style-type: none"> the number of shares, options, warrants, etc. in the company and other group companies of the company owned by the member, as well as changes in the member's portfolio of the securities mentioned which have occurred during the financial year. 			<p>According to section 107b (1)(3) of the Financial Statements Act, the company must state the reason for not complying with certain parts of the recommendations. Here, it is possible for the company to state why a certain recommendation has not been complied with, and what has been done instead.</p> <p>The company is not obliged to explain if a recommendation has been complied with. However, it may be advantageous to do so as it shows what the company is doing to comply with a certain recommendation. This may also be stated here.</p>
3.4. Board committees			
<p>3.4.1. THE COMMITTEE RECOMMENDS that the company publish the following on the company's website:</p> <ul style="list-style-type: none"> the terms of reference of the board committees, the most important activities of the committees during the year and the number of meetings held by each committee, and the names of the members of each committee, including the chairmen of the committees, as well as information on which members are independent members and which members have special qualifications. 	X		<p>The Board of Directors has established an audit committee, a remuneration committee and a nomination committee. The members of each committee, including names, titles and relevant qualifications will be disclosed on the company's website. A description of important activities of the committees during the year as well as the number of meetings will be included in the company's annual report.</p>
<p>3.4.2. THE COMMITTEE RECOMMENDS that a majority of the members of a board committee be independent.</p>	X		<p>The majority of audit committee, remuneration committee and nomination committee members are independent.</p>
<p>3.4.3. THE COMMITTEE RECOMMENDS that the board of directors set up a formal <u>audit committee</u> composed</p>	X		<p>The chairman of the audit committee is neither chairman nor deputy chairman of the Board of Directors.</p>

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<p>such that</p> <ul style="list-style-type: none"> the chairman of the board of directors is not chairman of the audit committee, and between them, the members should possess such expertise and experience as to provide an updated insight into and experience in the financial, accounting and audit aspects of companies whose shares are admitted to trading on a regulated market. 			<p>According to section 107b (1)(3) of the Financial Statements Act, the company must state the reason for not complying with certain parts of the recommendations. Here, it is possible for the company to state why a certain recommendation has not been complied with, and what has been done instead.</p> <p>The company is not obliged to explain if a recommendation has been complied with. However, it may be advantageous to do so as it shows what the company is doing to comply with a certain recommendation. This may also be stated here.</p> <p>All members of the company’s audit committee possess the qualifications and experience necessary for them to independently assess whether the financial reporting, internal auditing, risk management and statutory auditing of the company is planned and carried out in an appropriate way considering the size and complexity of the company.</p>
<p>3.4.4. THE COMMITTEE RECOMMENDS that, prior to the approval of the annual report and other financial reports, the audit committee monitors and reports to the board of directors about:</p> <ul style="list-style-type: none"> significant accounting policies, significant accounting estimates, related party transactions, and uncertainties and risks, including in relation to the outlook for the current year. 	X		<p>The audit committee reports to the Board of Directors in connection with the annual report. In addition, the Committee reports any changes in the accounting policies or accounting estimates or any related-party transactions that took place during the financial year. It also keeps the Board of Directors informed on uncertainties and risks.</p>
<p>3.4.5. THE COMMITTEE RECOMMENDS that the audit committee:</p> <ul style="list-style-type: none"> annually assesses the need for an internal audit, and in such case, makes recommendations on selecting, appointing and removing the 	X		<p>In accordance with its charter, the audit committee annually considers whether there is a need for an internal audit function. On the basis of the recommendations of the committee, the Board of Directors then decides whether the internal control systems are adequate and whether there is a need for an internal control function. So far, the Board’s assessment – based on the size and complexity of the company – has been that there is no need to establish an internal audit function.</p>

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<p>head of the internal audit function and on the budget of the internal audit function, and</p> <ul style="list-style-type: none"> monitor the executive board's follow-up on the conclusions and recommendations of the internal audit function. 			<p>According to section 107b (1)(3) of the Financial Statements Act, the company must state the reason for not complying with certain parts of the recommendations. Here, it is possible for the company to state why a certain recommendation has not been complied with, and what has been done instead.</p> <p>The company is not obliged to explain if a recommendation has been complied with. However, it may be advantageous to do so as it shows what the company is doing to comply with a certain recommendation. This may also be stated here.</p>
<p>3.4.6. THE COMMITTEE RECOMMENDS that the board of directors establish a <u>nomination committee</u> chaired by the chairman of the board of directors with at least the following preparatory tasks:</p> <ul style="list-style-type: none"> describe the qualifications required by the board of directors and the executive board, and for a specific membership, state the time expected to be spent on having to carry out the membership, as well as assess the competences, knowledge and experience of the two governing bodies combined, annually assess the structure, size, composition and results of the board of directors and the executive board, as well as recommend any changes to the board of directors, annually assess the competences, knowledge and experience of the individual members of management, and report to the board of directors in this respect, 	X		<p>The Board of Directors has established a nomination committee the charter of which complies with the recommendation.</p>

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<ul style="list-style-type: none"> consider proposals from relevant persons, including shareholders and members of the board of directors and the executive board for candidates for the board of directors and the executive board, and propose an action plan to the board of directors on the future composition of the board of directors, including proposals for specific changes. 			<p>According to section 107b (1)(3) of the Financial Statements Act, the company must state the reason for not complying with certain parts of the recommendations. Here, it is possible for the company to state why a certain recommendation has not been complied with, and what has been done instead.</p> <p>The company is not obliged to explain if a recommendation has been complied with. However, it may be advantageous to do so as it shows what the company is doing to comply with a certain recommendation. This may also be stated here.</p>
<p>3.4.7. THE COMMITTEE RECOMMENDS that the board of directors establish a <u>remuneration committee</u> with at least the following preparatory tasks:</p> <ul style="list-style-type: none"> to recommend 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, make proposals to the board of directors on remuneration for members of the board of directors and the executive board, as well as ensure that the remuneration is in compliance with the company's remuneration policy and the assessment of the performance of the persons 	X		<p>The Board of Directors has established a remuneration committee the charter of which complies with the recommendation.</p>

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<p>concerned. The committee should have information about the total amount of remuneration that members of the board of directors and the executive board receive from other companies in the group, and</p> <ul style="list-style-type: none"> recommend a remuneration policy applicable for the company in general. 			<p>According to section 107b (1)(3) of the Financial Statements Act, the company must state the reason for not complying with certain parts of the recommendations. Here, it is possible for the company to state why a certain recommendation has not been complied with, and what has been done instead.</p> <p>The company is not obliged to explain if a recommendation has been complied with. However, it may be advantageous to do so as it shows what the company is doing to comply with a certain recommendation. This may also be stated here.</p>
<p>3.4.8. THE COMMITTEE RECOMMENDS that the remuneration committee do not consult with the same external advisers as the executive board of the company.</p>	X		<p>The remuneration committee does not use the same external advisers as the Executive Management of the company.</p>
<p>3.5. Evaluation of the performance of the board of directors and the executive board</p>			
<p>3.5.1. THE COMMITTEE RECOMMENDS that the board of directors establish an evaluation procedure where contributions and results of the board of directors and the individual members, as well as collaboration with the executive board are annually evaluated. Significant changes deriving from the evaluation should be included in the management commentary or on the company's website.</p>	X		<p>The Board of Directors shall undertake an annual evaluation of the performance and achievements of the Board of Directors and its individual members.</p> <p>The chairman of the Board of Directors is in charge of the evaluation.</p>
<p>3.5.2. THE COMMITTEE RECOMMENDS that in connection with preparation of the general meeting, the board of directors consider whether the number of members is appropriate in relation to the requirements of the company. This should help ensure a constructive debate and an effective decision-making process in which all</p>	X		<p>The Board of Directors annually reviews its size and determines whether the size of the Board of Directors is appropriate considering the size of the company and the skills and activities of the Board.</p>

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members are given the opportunity to participate actively.			<p>According to section 107b (1)(3) of the Financial Statements Act, the company must state the reason for not complying with certain parts of the recommendations. Here, it is possible for the company to state why a certain recommendation has not been complied with, and what has been done instead.</p> <p>The company is not obliged to explain if a recommendation has been complied with. However, it may be advantageous to do so as it shows what the company is doing to comply with a certain recommendation. This may also be stated here.</p>
3.5.3. THE COMMITTEE RECOMMENDS that at least once every year the board of directors evaluate the work and performance of the executive board in accordance with predefined clear criteria.	X		The Board of Directors regularly assesses the performance of each executive on an informal basis and once a year on a formal basis with predefined key performance indicators.
3.5.4. THE COMMITTEE RECOMMENDS 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		In connection with the annual board evaluation as well as through a formalised dialogue between the chairman of the Board of Directors and the chief executive officer, the cooperation between the Board of Directors and the Executive Management is evaluated and the outcome of the evaluation is presented to the Board of Directors.
4. Remuneration of management			
<i>4.1. Form and content of the remuneration policy</i>			
<p>4.1.1. THE COMMITTEE RECOMMENDS that the board of directors prepare a clear and transparent remuneration policy for the board of directors and the executive board, including</p> <ul style="list-style-type: none"> a detailed description of the components of the remuneration for members of the board of directors and the executive board, 	X		<p>The Board of Directors has adopted a remuneration policy applicable to the Board of Directors and the Executive Management. The remuneration policy has been approved by the general meeting and is available on the company's website www.matas.dk.</p> <p>The remuneration policy contains a detailed description of the components of the remuneration and includes the reasons for choosing the individual components of</p>

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation for the following reason:
<ul style="list-style-type: none"> the reasons for choosing the individual components of the remuneration, and a description of the criteria on which the balance between the individual components of the remuneration is based. <p>The remuneration policy should be approved by the general meeting and published on the company's website.</p>			<p>According to section 107b (1)(3) of the Financial Statements Act, the company must state the reason for not complying with certain parts of the recommendations. Here, it is possible for the company to state why a certain recommendation has not been complied with, and what has been done instead.</p> <p>The company is not obliged to explain if a recommendation has been complied with. However, it may be advantageous to do so as it shows what the company is doing to comply with a certain recommendation. This may also be stated here.</p> <p>the remuneration as well as a description of the criteria on which the balance between the individual components of the remuneration is based.</p>
<p>4.1.2. THE COMMITTEE RECOMMENDS that, if the remuneration policy includes variable components,</p> <ul style="list-style-type: none"> limits be set on the variable components of the total remuneration package, a reasonable and balanced linkage be ensured between remuneration for governing body members, expected risks and the value creation for shareholders in the short and long term, there be clarity about performance criteria and measurability for award of variable components, there be criteria ensuring that qualifying periods for variable components in remuneration agreements are longer than one calendar year, and 	X		<p>The company's remuneration policy complies with the recommended criteria. The remuneration policy can be found at the company's website www.matas.dk.</p>

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation for the following reason:
<ul style="list-style-type: none"> an agreement is made which, in exceptional cases, entitles the company to reclaim in full or in part variable components of remuneration that were paid on the basis of data, which proved to be misstated. 			<p>According to section 107b (1)(3) of the Financial Statements Act, the company must state the reason for not complying with certain parts of the recommendations. Here, it is possible for the company to state why a certain recommendation has not been complied with, and what has been done instead.</p> <p>The company is not obliged to explain if a recommendation has been complied with. However, it may be advantageous to do so as it shows what the company is doing to comply with a certain recommendation. This may also be stated here.</p>
4.1.3. THE COMMITTEE RECOMMENDS that remuneration of members of the board of directors does not include share options.	X		The company's remuneration policy does not include share or warrant programmes or other incentive-based remuneration for the members of the Board of Directors.
4.1.4. THE COMMITTEE RECOMMENDS that if share-based remuneration is provided, such programmes be established as roll-over programmes, i.e. the options are granted periodically and should have a maturity of at least three years from the date of allocation.	X		The company's remuneration policy complies with the recommendation.
4.1.5. THE COMMITTEE RECOMMENDS that agreements on termination payments should not amount to more than two years' annual remuneration.	X		The company's remuneration policy complies with the recommendation.
4.2. Disclosure of the remuneration policy			
4.2.1. THE COMMITTEE RECOMMENDS 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		The chairman's statement at the company's annual general meeting will include an explanation and justification of the company's remuneration policy as well as the compliance herewith.

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation for the following reason:
4.2.2. THE COMMITTEE RECOMMENDS that the proposed remuneration for the board of directors for the current financial year be approved by the shareholders at the general meeting.	X		<p>According to section 107b (1)(3) of the Financial Statements Act, the company must state the reason for not complying with certain parts of the recommendations. Here, it is possible for the company to state why a certain recommendation has not been complied with, and what has been done instead.</p> <p>The company is not obliged to explain if a recommendation has been complied with. However, it may be advantageous to do so as it shows what the company is doing to comply with a certain recommendation. This may also be stated here.</p> <p>The remuneration of the board members is considered and approved as a separate agenda item at the annual general meeting.</p>
4.2.3. THE COMMITTEE RECOMMENDS that the total remuneration granted to each member of the board of directors and the executive board by the company and other companies in the group, including information on the most important contents of retention and retirement/resignation schemes, be disclosed in the annual report and that the linkage with the remuneration policy be explained.	X		Remuneration to each member of the Board of Directors as well as to members of the Executive Management is disclosed on an individual basis.
5. Financial reporting, risk management and audits			
<i>5.1. Identification of risks and transparency about other relevant information</i>			
5.1.1. THE COMMITTEE RECOMMENDS that the board of directors in the management commentary review and 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.	X		<p>Matas's annual report includes information about the company's management of business risks.</p> <p>In connection with the preparation of the annual report the most important business and financial risks are identified in connection with the realisation of the company's strategy and overall goals as well as the risks associated with financial reporting.</p>

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation for the following reason:
<i>5.2. Whistleblower scheme</i>			
5.2.1. THE COMMITTEE RECOMMENDS that the board of directors decide whether to establish a whistleblower scheme for expedient and confidential notification of possible or suspected wrongdoing.	X		The Board of Directors has decided to establish a whistleblower scheme for the company.
<i>5.3. Contact to auditor</i>			
5.3.1. THE COMMITTEE RECOMMENDS that the board of directors ensure regular dialogue and exchange of information between the auditor and the board of directors, including that the board of directors and the audit committee at least once a year meet with the auditor without the executive board present. This also applies to the internal auditor, if any.	X		The Board of Directors, through the audit committee, maintains a regular dialogue and exchange of information with the external auditor. The audit committee and the Board of Directors meet with the auditor at least once a year without the Executive Management being present.
5.3.2. THE COMMITTEE RECOMMENDS that the audit agreement and auditors' fee be agreed between the board of directors and the auditor on the basis of a recommendation from the audit committee.	X		The audit agreement and the auditor's fees are agreed between the Board of Directors and the auditor on the basis of a recommendation from the audit committee.