

The Remuneration Policy of Tryg A/S (hereinafter referred to as Tryg) is based on the provisions on remuneration of s. 71, ss. 1, no. 9 of the Danish Financial Business Act ("FIL") as well as the provisions on remuneration policy, including related rules and regulations ("Lønbekendtgørelsen"), of ss. 77 (a-d) of the same Act. Furthermore, it is based on s. 139 of the Danish Companies Act regarding general guidelines for incentive pay as well as recommendations on Corporate Governance from the Committee on Corporate Governance ("Komitéen for God Selskabsledelse"), 4th paragraph on remuneration of the Executive Management.

The Remuneration Policy shall apply to the Supervisory Board, the Executive Management and other employees in Tryg, whose activities have a material impact on the risk profile of the company (hereinafter referred to as Risk Takers) as well as employees in control functions.

The Remuneration Policy shall:

- a) be in accordance with and promote sound and efficient risk management which does not promote excessive risk taking,
- b) be in accordance with Tryg's business strategy, values and long-term objectives, conform with the principles of protecting customers and investors in connection with the execution of the business and include measures, which may prevent conflicting interests,
- c) ensure that the total payroll costs related to variable salary - which the company undertakes to pay - do not erode Tryg's opportunity to strengthen the capital base.

1. Remuneration of the Supervisory Board

Members of Tryg's Supervisory Board receive a fixed fee and are not comprised by any form of incentive programme.

The remuneration (basic fee) of the Board members is fixed on the basis of the trends in peer companies, taking into account the Board members' required competencies and performance as well as the scope of Board work, including number of meetings.

The Chairman of the Supervisory Board receives a triple basic fee and the Deputy Chairman receives a double basic fee.

In addition to the basic fee, those Supervisory Board members who are also members of the Audit Committee receive an Audit Committee fee. The Chairman of the Audit Committee receives 1½ times as much as the other members of the Audit Committee.

In addition to the basic fee, those Supervisory Board members who are also members of the Risk Committee receive a Risk Committee fee. The Chairman of the Risk Committee receives 1½ times as much as the other members of the Risk Committee.

In addition to the basic fee, those Supervisory Board members who are also members of the Remuneration Committee receive a Remuneration Committee fee. The Chairman of the Remuneration Committee receives 1½ times as much as the other members of the Remuneration Committee.

The Annual General Meeting approves the remuneration of the Supervisory Board for the current financial year in connection with the presentation of the Annual Report.

2. Remuneration of the Executive Management

Tryg's Executive Management is defined as the top executive officers, who are, at any time, registered at the Danish Business Authority as the Executive Management of Tryg A/S (hereinafter referred to as the Executive Management or individually as the "Executive General Manager").

Members of Tryg's Executive Management are employed on a contractual basis, and all terms of the remuneration of the Executive Management are fixed by the Supervisory Board within the framework of the approved Remuneration Policy. The Supervisory Board performs an annual review of the remuneration of the Executive Management.

Tryg wants a remuneration model for the Executive Management which

1. is competitive and at par with the market and therefore adequately favourable to attract and retain the best-qualified members of the Executive Management,
2. is simple and transparent in its set-up, and which
3. does not lead to inappropriate acceptance of risk

a. Remuneration elements

The Executive Management receives fixed pay and pension.

Tryg wants to ensure an appropriate and balanced combination between Management remuneration, predictable risks and value creation for the shareholders in the short and long term. In order to do so, Tryg wants to attract and retain Executive Management members for whom a competitive and market-adapted fixed pay will provide the right and adequate motivation for them to perform their best in order to reach the targets set by the company. Consequently, variable salary elements only constitute a limited part of the total remuneration. The Supervisory Board may decide to supplement the fixed pay with a variable salary share up to 12.5% of the fixed basic pay, including pension at the time of allocation.

The variable salary is granted in the form of a Matching Shares programme; cf. below under subsection b. A Matching Shares programme includes a retention element, just as the programme ensures coinciding interests of both the Executive Management and the shareholders.

Other types of variable salary, for example cash incentive pay and share options, may not be added, cf. however subsection 4 concerning extraordinary situations.

In addition to the direct remuneration, the Executive General Manager receives a free company car in line with his or her position as well as other employee benefits at par with the market.

b. Matching Shares (variable salary)

The purpose of the Matching Shares Programme is partly to ensure retention of members of the Executive Management, partly to ensure coinciding financial interests of members and the company's shareholders.

The Matching Shares Programme means that:

1. The member of the Executive Management, by use of taxed funds, may buy shares in Tryg A/S at market price for an amount corresponding to the agreed amount; however, maximum up to 12.5% of the fixed basic pay, including pension. The member buys the shares in the open trading window after release of the Annual Report of the past year. To which extent the member of the Executive Management is allowed to participate in the Matching Shares programme and with which amount, within the fixed 12.5%, depends on an assessment made by the Supervisory Board of the results and performance of the member's effort during the past year.
2. Four years after the member of the Executive Management has bought shares (hereinafter referred to as the Matching Time), Tryg will allot a number of cost-free shares in Tryg A/S to the member of the Executive Management, corresponding to the number of shares the member has bought himself/herself, insofar as the additional and following conditions have been fulfilled:
 - a. the member of the Executive Management is employed in the period until the Matching Time. However, the right to Matching Shares is maintained provided that the employment is terminated by Tryg due to retirement or the member of the Executive Management is dismissed, provided this is not due to any breach of contract
 - b. the shares bought by the member of the Executive Management are not sold before the Matching Time
 - c. Tryg, at the Matching Time, fulfils the applicable capital and solvency requirements (FIL s. 77(a), subs. 1, nos. 6 and 7)
 - d. that Tryg's financial situation has not been weakened significantly compared with the situation when the scheme was established (FIL s. 77(a), subs. 4)

- e. that the member of the Executive Management has not participated in, or been responsible for, any significant loss-inducing behaviour or in any other way failed to observe suitable requirements to eligibility and integrity (FIL s. 77a, subs. 4)

The shares allotted at the Matching Time may not be sold by the member of the Executive Management until 6 months after the Matching Time.

Shares used for the Matching Shares Programmes may be obtained via share buy back or by using Tryg's portfolio of own shares. Furthermore, the shares may be obtained by utilisation of the authorisation granted to the Supervisory Board in the Articles of Association to increase the share capital by issuing new shares.

c. Pension and severance schemes

Pension and severance schemes of the members of the Executive Management must observe Tryg's business strategy, values and long-term objectives.

According to their contracts of employment, each member of the Executive Management is entitled to 12 months' notice of termination and 12 months' severance pay plus pension contributions, where the termination is made by Tryg. However, the Group CEO is entitled to 12 months' notice of termination and 18 months' severance pay, plus pension contributions in case of termination by Tryg.

3. Risk Takers

The Supervisory Board assesses and decides which employees are regarded as Risk Takers.

a. Elements of remuneration

Risk Takers are employed on a contractual basis and receive fixed fees and pension.

The fixed basic pay may be supplemented with a variable salary element of up to 12.5% of the fixed basic fee, incl. pension at the time of allotment. In this case, the variable salary is paid out in the form of a Matching Shares Programme, cf. item 2b above. Other types of variable salary as e.g. a cash incentive pay and share options may not be utilised, cf. however item 4 concerning extraordinary situations.

With regard to Group Executive managers, who are not members of the Executive Management, but who are part of Tryg's Group Executive Management all conditions on pay and employment are decided by the Supervisory Board, including allotment of Matching shares.

With regard to the remaining Risk Takers, all conditions on pay and employment are decided by the Executive Management. This, however, does not apply to any decision concerning extraordinary cash incentive pay, cf. item 4, which shall be made by the Supervisory Board.

In addition to the direct remuneration, Risk Takers shall receive other types of employee benefits at par with the market.

b. Severance pay

With regard to Group Executive managers, who are not members of the Executive Management, but who are part of the Group Executive Management, these are, according to their contract of employment, entitled to a 12 months' notice of termination and a 12 months' severance pay when termination is made by Tryg.

With regard to the remaining Risk Takers, no agreement is made concerning severance pay at the time of employment.

4. Variable salary (fixed incentive pay) in extraordinary situations

The Supervisory Board may under extraordinary circumstances decide to supplement the basic fee of the Executive Management with a variable payment (cash incentive pay) of up to 40% of the fixed basic fee, including pension at the time of allotment. Such an agreement shall be in accordance with and promote a sound and efficient risk management and observe the purpose of this remuneration policy. Additionally, such an extraordinary agreement on variable salary (cash incentive pay) shall observe the conditions of ss. 77 (a-d) of the Danish Financial Business Act, unless otherwise stated in the rules and regulations of remuneration in force at any time (e.g. triviality limits and allowance at new appointments/sign-on cash incentive pay).

The agreement shall, with regard to the share-based element, consist of shares in Tryg A/S, where the 50% requirement pursuant to FIL s. 77(a) ss. 1, no. 4 is considered not to be observed by the Matching Shares Programme. Persons liable to postponement shall, in case of an agreement about extraordinary cash incentive pay pursuant to this provision, be subject to a requirement of a 3-year postponement for Risk Takers and 4 years for the Executive Management, with a 6 months' retention period in relation to the elements of the remuneration consisting of shares.

The variable salary (Matching Shares and extraordinary cash incentive pay) to the Executive Management and Risk Takers shall under no circumstances exceed a total limit of 50% of the basic fee including pension.

5. Remuneration of employees in controlling positions

Employees in controlling positions, i.e. employees working with compliance and internal audit, may not receive a variable salary share dependent on the result of the department of which the employee is performing a control.

The Head of Compliance and Head of Internal audit shall receive a basic fee and pension, however no variable salary.

In addition to the direct remuneration, employees in controlling positions shall receive other employee benefits which are at par with the market.

All conditions for employees in controlling positions are decided by the Executive Management within the framework of this policy. The salary of the Head of Internal Audit shall, however, be decided by the Supervisory Board.

6. Claw back

Agreements on variable salary (Matching Shares and extraordinary incentive pay) are in compliance with FIL s. 77(a), ss. 5, and the remuneration policy is subject to the condition that a recipient of variable salary shall pay back the variable salary, in full or partially, where the variable salary is paid on the basis of information on results, which can be documented to be a mistake, and if the recipient is in bad faith.

7. Publication

Once a year, Tryg publishes information on remuneration policy and practice regarding the Supervisory Board, the Executive Management and Risk Takers, all in pursuance of applicable rules and regulations, FIL, the Remuneration Order and the recommendations from the Committee of Good Corporate Governance.

8. Control

The Supervisory Board shall make sure that at least once a year a control is made that the remuneration policy is observed. Subject to a recommendation from the Audit Committee, the Supervisory Board shall make the detailed guidelines of the control. The result of the control shall be presented to the Supervisory Board.

The remuneration policy is subject to approval by the Annual General Meeting. It is reviewed annually by the Supervisory Board of Tryg and revised, if necessary. Where the remuneration policy is revised, any policy amendments shall be submitted to the Annual General Meeting for renewed approval.

As adopted at the Supervisory Board Meeting on 27 January 2015 with a view to submission for approval at the company's Annual General Meeting on 25 March 2015.

Supervisory Board of Tryg A/S