



Meeting Date:	Mon, 30 Mar 2015 13:00pm	Type:	AGM	Issue date:	Thu, 19 Mar 2015
Meeting Location:	Concert Hall (Musikhuset) Aarhus, Thomas Jensens Alle, 8000 Aarhus C, Denmark				
Current Indices:	FTSE EuroFirst				
Sector:	Renewable Energy Equipment				

PROPOSALS		ADVICE
1	The Board of Director's report Non-voting agenda item.	Non-Voting
2	Receive the Annual Report Disclosure is acceptable and the report was made available sufficiently before the meeting. The financial statements have been audited and certified. The auditors have not qualified their opinion. No serious governance concerns have been identified.	For
3	Approve the dividend The Board proposes a dividend of DKK 3.90 per share. The dividend is covered by earnings. Acceptable proposal.	For
4.A	Re-elect Bert Nordberg Independent Non-Executive Chairman. However, there are concerns over his potential time aggregate commitments. Triodos abstains on this resolution.	Abstain
4.B	Re-elect Carsten Bjerg Independent Non-Executive Director.	For
4.C	Re-elect Eija Pitkanen Independent Non-Executive Director.	For
4.D	Re-elect Henrik Anderson Independent Non-Executive Director.	For
4.E	Re-elect Henry Stenson Independent Non-Executive Director.	For
4.F	Re-elect Lars Josefsson Independent Non-Executive Director.	For
4.G	Re-elect Lykke Friis Independent Non-Executive Director.	For
4.H	Re-elect Torben Ballegaard Sorensen Independent Non-Executive Director.	For
5.1	Approve fees paid to the Board of Directors in 2014 Proposal to approve the actual remuneration for the Board for the year under review. The proposed amount corresponds to the amount approved at the previous AGM. Triodos supports this resolution.	For
5.2	Approve fees payable to the Board of Directors for 2015 The Board is seeking approval for Board and committee membership fees for non-executive directors. The actual remuneration will be approved at the next year's AGM. An increase of less than 10% has been proposed. Triodos supports this resolution.	For
6	Appoint the auditors PricewaterhouseCoopers proposed. Non-audit fees were approximately 100% of audit fees during the year under review. Non-audit fees over a three year basis were approximately 200% of audit fees. There are concerns that this level of non-audit fees creates a potential for conflict of interest on the part of the independent auditor. As oppose is not a valid voting option for this resolution, Triodos abstains on this resolution.	Abstain

7.1 Amend Articles: Article 4(4) of the articles of association-announcement of the convening for a general meeting	For
It is proposed to delete the publication of the meeting notice on a national daily newspaper, as it is not provided for in the Danish Companies Act. Shareholders will receive notice on the Company website or by letter. Acceptable proposal.	
7.2 Amend Articles: Article 10(1) of the articles of association-authority to bind the company	For
It is proposed that the Company is bound if there are joint signatures of two members of the Executive Management, instead of the Group President & CEO, as previously worded. Acceptable proposal.	
7.3 Approve Remuneration Policy for the Board of Directors and the Executive Management	For
It is proposed to amend the current remuneration guidelines in two parts. First, the performance period within the performance share program will be extended from one year to three years. Secondly, the maximum number of performance shares that can be granted will be reduced from 225,000 to 180,000 performance shares. The proposed amendments move towards a longer performance period (although not yet considered to be sufficiently long term) and decrease the number of LTIP award to be granted. As the changes represent an improvement to existing policy, Triodos supports this resolution.	
7.4 Approve general guidelines for incentive pay for board of directors and the executive management	Oppose
It is proposed to re-approve the remuneration policy with a binding vote, after the amendments proposed under resolution 7.3. There is lack of disclosure with respect of targets and measurable criteria for variable remuneration, which prevents shareholders from making an informed assessment. While total variable remuneration does not seem to be consistently capped, annual bonus can amount to maximum 75% of the fixed salary, based on EBIT, among other criteria. However it may be overpaying for underperformance, in absence of quantified targets. Severance payments are capped at 24 months' salary for executives and 36 for the CEO. The Board can not award discretionary payments to Executives, which is welcomed. There are no claw back clauses in place which is against best practice. Based on lack of disclosed performance criteria and excessive severance arrangements, Triodos opposes this resolution.	
7.5 Authorise Share Repurchase	For
Authority to allow the Board to repurchase shares within legal boundaries. The repurchase is limited to 10% of share capital and will be in force until the next AGM. Acceptable proposal.	
8 Authorisation of the chairman of the meeting	For
Standard proposal.	

Supporting Information for Resolutions

Proposal 5.1 - The Company does not disclose individual board remuneration. However, board fees account for EUR 1 million in the financial statements.

Proposal 5.2 - Directors' fees consist of a basic fee, of which the Chairman and the Vice Chairman receive a multiplier. The basic fee is EUR 52,763 the Vice Chairman receives two times and the Chairman three times. Committee members received an additional 50% of the basic fee and committee Chairmen received an additional 100% of the basic fee.

Proposal 6 -

The New EU audit regulatory framework

Starting 1 January 2015, audit within the EU is regulated by Directive 2014/56/EU (which amends Directive 2006/43/EC) and Regulation (EU) n. 537/2014. These provide for significant harmonization of the issue within the EU and for substantial changes in auditor's term and rotation, non-audit fees and conflict of interest. EU Member States have two years to implement the provisions contained in the Directive.

Major changes in EU audit framework

Auditors' term and rotation

Auditors must undertake obligatory rotation at least every 10 years, however Member states can provide for shorter term. The term can be renewed once but the company must either call a public tendering or appoint another audit firm for joint auditing.

Prohibited non-audit services

The Directive 2014/56/EU provides a series of prohibited non-audit services, such as provision of tax advice and services linked to the client's financial and investment strategy, including tax compliance, tax advice, corporate finance and valuation services. Member States also have the option to allow certain tax and valuation services on condition that they do not have a direct effect on the financial statements or, if they do, that the effect is immaterial.

Non-audit fees

Non-audit fees are capped at 70% of audit fees in the Directive, at the level of both the company and the group. Member States can adopt a lower threshold at level of their national legislation. This provision applies only if the audit firm in question has audited a company for at least three consecutive financial years. That is, after the third year, non-audit fees should be capped at 70% of the average of the non-audit fees paid in the last three consecutive financial years. Excessive non-audit fees and potentially creating conflict of interest and by that hindering an objective audit of the Company. Excessive non-audit fees may not be supported during the year under review or the three previous years. In addition, appointments of those auditors who did not disclose in detail the nature of their non-audit services may not be supported.

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