

SCHEDULE FOR REPORTING REGARDING THE RECOMMENDATIONS FROM THE COMMITTEE ON CORPORATE GOVERNANCE

(REPORTING REGARDING CORPORATE GOVERNANCE IN ACCORDANCE WITH THE DANISH FINANCIAL STATEMENT ACT SEC. 107B.)

The company is covered by the recommendations on corporate governance, which are available on the Committee on Corporate Governance's website www.corporategovernance.dk.

The schedule is meant as a tool for those companies, who in the form of a schedule want to report on how they live up to the recommendations. The text of the schedule does not replace the recommendations, and reference must be made to the recommendations on corporate governance in so far as foreword, introductions and comments are concerned.

Notice: The schedule below contains the Committee on Corporate Governance's recommendations of August 16th 2011. Nasdaq OMX Copenhagen A/S has decided to include the recommendations in the Rules for issuers of shares with effect as of October 1st 2011. The schedule can be used when reporting on corporate governance in the annual report for the financial year starting January 1st 2011 or later. Companies with a financial year other than the calendar year can also use the schedule, even if the reporting is made for a financial year starting earlier than January 1st 2011.

STATUTORY REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2012, PURSUANT TO THE FINANCIAL STATEMENTS ACT § 107B

**Introduction/conclusion:
Report regarding 13 February - 2013 (period)**

1. CORPORATE GOVERNANCE

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation due to the following reason: According to the Danish Financial Statement Act sec.107b (1)(3), 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. 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.
1. The role of the shareholders and their interaction with the management of the company			
<i>1.1. Dialogue between the company and its shareholders</i>			
1.1.1. The Committee recommends that the central governing body, for example through investor relations activities, ensure an ongoing dialogue between the company and its shareholders in order that the central governing body knows the shareholders' attitude, interests and views in relation to the company and that	X		Shareholder and other interested parties have via Asetek website access to news bulletins pertaining to various topics. Also it is possible to contact the company via the website. All questions and concerns raised by shareholders and other interested parties are addressed promptly.

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investor relations material be made available to all investors on the company's website			
<i>1.2. Capital and share structure</i>			
1.2.1. The Committee recommends that the central governing body every year evaluate whether the company's capital and share structures continue to be in the interests of the shareholders and the company and account for this evaluation in the management commentary in the annual report and/or on the company's website.	X		The Board of Directors continuously evaluate the the capital and share structure is in the best interest of the shareholder.
<i>1.3. General Meeting</i>			
1.3.1. The Committee recommends that the supreme governing body and the executive board promote active ownership, including shareholders' attendance at general meetings.	X		<p>In accordance with the articles of association, the agenda of the general meeting is sent to all known shareholders no later than 4 weeks and no earlier than 2 weeks prior to the date of the general meeting.</p> <p>Any proposals from shareholders to be transacted at the general meeting shall be</p>

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			<p>submitted in writing to the Board of Directors. A shareholder is entitled to have a proposal included in the agenda of the general meeting provided that the proposal is received no later than 6 weeks before.</p> <p>The language at general meetings shall be English</p>
<p>1.3.2. The Committee recommends that the central governing body resolve or submit to the general meeting the question whether the general meeting shall be conducted by physical attendance or as a partly or entirely electronic general meeting.</p>	X		<p>Aseteks general meetings are conducted – if at all possible – by physical attendance.</p> <p>Shareholders may attend general meetings in person or by proxy and may, in both cases, be accompanied by an adviser.</p>
<p>1.3.3 The Committee recommends that proxies given to the supreme governing body allow shareholders to consider each individual item on the agenda.</p>	X		<p>Proxies may exercise voting rights on behalf of shareholders subject to presenting a written and dated instrument of proxy. The Company shall make a written or electronic proxy form available to all shareholders entitled to vote at the general meeting.</p>
<p>1.3.4 The Committee recommends that all members of the supreme governing body and the executive board be present at the general</p>	X		<p>Aseteks Board of Directors and executive management will plan to be present at the general meetings.</p>

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meeting.			
<i>1.4. Takeover bids</i>			
1.4.1 The Committee recommends that the central governing body, from the moment it obtains knowledge that a takeover bid will be submitted, do 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.	X		The Board of Directors will not counter a takeover bid, which has been publically known, without the acceptance of the general meeting.
1.4.2. The Committee recommends that the central governing body give the shareholders the opportunity to decide whether or not they wish to dispose of their shares in the company under the terms offered.	X		Any takeover bids will be presented to the shareholders by the Board of Directors.

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<p>2. The role of stakeholders and their importance to the company and the company's corporate social responsibility</p>			
<p><i>2.1. The company's policy in relation to its stakeholders</i></p>			
<p>2.1.1. The Committee recommends that the central governing body identify the company's key stakeholders and their main interests in relation to the company.</p>		X	<p>Asetek does not have a specific policy for the Company's relations with its key stakeholders.</p>
<p>2.1.2. The Committee recommends that the central governing body adopt a policy on the company's relationship with its stakeholders, including the investors, and ensure that the interests of the stakeholders are respected in accordance with the company's policy on such issues.</p>		X	<p>Aseteks board of directors continuously provide information to its stakeholders pertaining to its relationship with its stakeholders in order to ensure that the interests of the stakeholders are respected.</p>
<p><i>2.2. Corporate social responsibility</i></p>			

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2.2.1. The Committee recommends that the central governing body adopt a policy on corporate social responsibility.		X	<p>Asetek desire to live up to the laws and regulations of the countries in which the company operates.</p> <p>The board of directors has not yet adopted specific policies on corporate social responsibility.</p>
3. Openness and transparency			
<i>3.1. Disclosure of information to the market</i>			
3.1.1. The Committee recommends that the central governing body adopt a communication strategy.	X		Through the internal rules and procedures structure, it is ensured that Asetek publishes all relevant information relevant to potentially impact the pricing of the share in a timely manner and through the correct channels.
3.1.2. The Committee recommends that information from the company to the market be published in both Danish and English.		X	All information from the company to the market is published in English.
3.1.3. The Committee recommends that the company publish quarterly reports.	X		Asetek publishes quarterly reports which are accessible via the company's website.

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<p>4. The tasks and responsibilities of the supreme and the central governing bodies</p>			
<p><i>4.1. Overall tasks and responsibilities</i></p>			
<p>4.1.1. The Committee recommends that the central governing body determine the company's overall strategy at least once every year with a view to sustaining value creation in the company.</p>	<p>X</p>		<p>In accordance with its rules of procedure, the board of directors determines the overall strategy at least once every year.</p>
<p>4.1.2. The Committee recommends that the supreme governing body at least once every year discuss and ensure that the necessary qualifications and financial resources are in place in order for the company to achieve its strategic goals.</p>	<p>X</p>		<p>The board of directors continuously assess if the necessary qualifications and financial resources are in place in order for the company to achieve its strategic goals., så den fremtidige indtjening kan sikres.</p>
<p>4.1.3. The Committee recommends that the supreme governing body at least once every year define its most important tasks related to the</p>	<p>X</p>		<p>The board of directors continuously assess the priority of tasks related to the financial and managerial control of the company and how to supervise the work of the executive board.</p>

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financial and managerial control of the company, including how to supervise the work of the executive board.			
4.1.4. The Committee recommends that the supreme governing body annually discuss the company's activities to ensure diversity at management levels, including equal opportunities for both sexes, and that the supreme governing body set measurable objectives and in the management commentary in the annual report and/or on the company's website give an account of both the objectives and the progress made in achieving the objective.		X	The board of directors continuously discuss the activities to ensure diversity. Given the size and complexity of Asetek, the board of directors have not currently found it to be appropriate to formally structure the efforts.
<i>4.2. Procedures</i>			
4.2.1. The Committee recommends that the supreme governing body review its rules of	X		The rules and procedures for the board of directors is reviewed, and adjusted when needed, once every year.

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<p>procedure annually to ensure that they are adequate and always match the activities and needs of the company.</p>			
<p>4.2.2. The Committee recommends that the supreme governing body annually review and approve procedures for the executive board, including establish requirements for the executive board's timely, accurate and adequate reporting to the supreme governing body and for any other communication between the two governing bodies.</p>	X		<p>The board of directors reviews the reporting instructions to the executive board at least once per year.</p>
<p><i>4.3. The chairman and deputy chairman of the supreme governing body</i></p>			
<p>4.3.1. The Committee recommends that a deputy chairman of the supreme governing body be appointed, who must be able to act in the chairman's absence and also act as an effective</p>		X	<p>According to the articles of association, the board of directors appoint a chairman to preside over its meetings. The board of directors has not found that there is a need for a deputy chairman.</p>

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sounding board for the chairman.			
4.3.2. The Committee recommends the preparation of a scope of work and task list specifying the tasks, duties and responsibilities of the chairman and deputy chairman.	X		A description of the chairmans' task are presented in the articles of association and the board of directors do not find that further descriptions are necessary.
4.3.3. The Committee recommends that the chairman of the supreme governing body organise, convene and chair meetings to ensure efficiency in the body's work and to create the best possible working conditions for the members, individually and collectively.	X		The chairman ensures that the work of the board of directors is organized in a way conducive to enhancing the collective outcome of each members contributions.
4.3.4. The Committee recommends that, if the board of directors in exceptional cases asks its chairman to perform special tasks for the company, including briefly participate in the day-to-day management, a board resolution to that effect should be passed and precautions taken to ensure that the board of directors will maintain	X		In the exeptional cases where the board of directors asks the chairman to perform special tasks, it will be documented through the minutes of the board meetings. When appropriate, a company announcement will be published.

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<p>responsibility for the overall management and control function. A reasonable distribution of duties must be ensured between the chairman, the deputy chairman, the other members of the board of directors and the executive board. Information about agreements on the chairman's participation in the day-to-day management and the expected duration hereof must be disclosed in a company announcement.</p>			
<p>5. Composition and organisation of the supreme governing body</p>			
<p><i>5.1. Composition</i></p>			
<p>5.1.1. The Committee recommends that the supreme governing body annually specify the skills it must have to best perform its tasks and that the specification be posted on the website.</p>		<p>X</p>	<p>Aseteks directors are selected with the purpose of creating a group best suited at performing its tasks in the interest of Aseteks stakeholders and in the light of the company's size and complexity. The board of directors has not found it necessary to develop a written specification of the required skills.</p>

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Proposals for the nomination/replacement of members of the supreme governing body to be submitted to the general meeting should be prepared in the light hereof.			
5.1.2. The Committee recommends that the supreme governing body ensure a formal, thorough and transparent process for selection and nomination of candidates to the supreme governing body. When assessing its composition and nominating new candidates, the supreme governing body must take into consideration the need for integration of new talent and the need for diversity in relation to international experience, gender and age, etc.	X		Selection and nomination of candidates is performed in a process that is formal, thorough and transparent. The process is taking into consideration a desire to integrate new talent and a broad experience level.
5.1.3. The Committee recommends that a description of the nominated candidates' qualifications, including information about other	X		Aseteks board of directors take the companys size and complexity into consideration when guaging the level of information published prior to the general meetings.

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executive functions, e.g. memberships of executive boards, boards of directors and supervisory boards, including board committees, held by the candidates in both Danish and foreign companies as well as information on demanding organisational tasks should accompany the notice convening the general meeting when election of members to the supreme governing body is on the agenda.			
5.1.4. The Committee recommends that every year, the annual report contain an account of the composition of the supreme governing body, including its diversity, and of any special skills possessed by the individual members.	X		Aseteks board of directors take the companys size and complexity into consideration when guaging how to communicate information regarding its composition. The board members other board memberships is disclosed in the annual report.
<i>5.2. Training of members of the supreme governing body</i>			
5.2.1. The Committee recommends that new	X		The chairman of the board of directors in collaboration with the exective

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members joining the supreme governing body be given an introduction to the company.			management will ensure that new members are introduced to the company.
5.2.2. The Committee recommends that the supreme governing body annually assess whether the skills and expertise of its members need to be updated.	X		The board of directors continues to assess whether its skills and expertise need to be updated.
<i>5.3. Number of members of the supreme governing body</i>			
5.3.1. The Committee recommends that the supreme governing body have only so many members as to allow a constructive debate and an effective decision-making process enabling all members to play an active role.	X		Asetek board of directors currently consists of between 3 and 8 members according to the articles of association.
5.3.2. The Committee recommends that in connection with the preparation for each year's general meeting, the supreme governing body	X		The board of directors continues if the number of members is appropriate.

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consider whether the number of members is appropriate in relation to the requirements of the company.			
<i>5.4. The independence of the supreme governing body</i>			
<p>5.4.1. In order for the members of the supreme governing body to act independently of special interests, the Committee recommends that at least half of the members elected by the general meeting be independent persons.</p> <p>The independent supreme governing body member may not:</p> <ul style="list-style-type: none"> • be, or have been within the last five years, a member of the executive board/managerial staff of the company or an associated company, • have received significant additional 		X	2 out of 8 of Aseteks directors are independant persons. It is expected that the number of indepenant directors will increase during 2013.

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<p>remuneration from the company/group or an associated company apart from a fee for its services in the capacity as a member of the supreme governing body,</p> <ul style="list-style-type: none"> • represent the interests of a controlling shareholder, • within the last year, have had a material business relationship (e.g. personally or indirectly as a partner or an employee, shareholder, customer, supplier or member of a governing body of companies with similar relations) with the company or an associated company, • be, or have been within the last three years, an employee or partner of the external audit firm, • hold cross-memberships of governing bodies, • have been a member of the supreme 			

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governing body for more than 12 years, or <ul style="list-style-type: none"> • have close family ties with persons that are not regarded as independent persons. 			
5.4.2. The Committee recommends that at least once every year, the supreme governing body list the names of the members who are regarded as independent persons and also disclose whether new candidates for the supreme governing body are considered independent persons.	X		Information as to whether a director is considered to be independent is published in the annual report and on the company's website.
<i>5.5. Members of the supreme governing body elected by the employees</i>			
5.5.1. The Committee recommends that the individual company explain, in the company's annual report or on its website, the system of employee-elected board members and the company's use hereof in companies where the			Due to the size of the company there is currently no employee-elected board members.

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employees have chosen to apply the provisions of the Companies Act on employee representation.			
<i>5.6. Meeting frequency</i>			
5.6.1. The Committee recommends that the supreme governing body meet at regular intervals according to a predetermined meeting and work schedule or when meetings are deemed necessary or appropriate as required by the company and that the number of meetings held be disclosed in the annual report.	X		The board of directors meet at least 4 times per year for ordinary meetings.
<i>5.7. Expected time commitment and the number of other executive functions</i>			
5.7.1. The Committee recommends that each member of the supreme governing body assess the expected time commitment for each function in order that the member does not take on more	X		The individual board members assess themselves how much time they can allot to their work as board members and how to prioritize the functions.

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functions than he/she can manage in a satisfactory way for the company.			
5.7.2. The Committee recommends that the annual report contain the following information about the members of the supreme governing body: <ul style="list-style-type: none"> • the member’s occupation, • the member’s other executive functions, e.g. memberships of executive boards, boards of directors and supervisory boards, including board committees, in Danish and 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. 	X		The annual report offers information pertaining to the board members’ executive functions in Danish and foreign companies as well as the number of shares etc. held in the company.

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<i>5.8. Retirement age</i>			
5.8.1. The Committee recommends that the company's articles of association fix a retirement age for members of the supreme governing body and that the annual report contain information on such retirement age as well as the age of each member of the board of directors.		X	In light of international privacy traditions, Aseteks board of directors has not found it to be necessary to set a fixed retirement age or to reveal age information in the annual report.
<i>5.9. Election period</i>			
5.9.1. The Committee recommends that members of the supreme governing body elected by the general meeting be up for re-election every year at the annual general meeting.	X		All members of Aseteks board is up for re-election at every annual general meeting.
5.9.2. The Committee recommends that the annual report state when the individual member of the supreme governing body joined the body,	X		The annual report contains information pertaining to the date at which the board members joined the board.

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whether the member was re-elected and when the current election period expires.			
<i>5.10. Board committees</i>			
<p>5.10.1. The Committee recommends that the company publish the following information in the management commentary in its annual report or on the company's website:</p> <ul style="list-style-type: none"> • the terms of reference for the board committees, • 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 	X		<p>In consideration of the size and complexity of the company, the annual report does not contain information pertaining to specific activities in the committees.</p>

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation due to the following reason: According to the Danish Financial Statement Act sec.107b (1)(3), 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. 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.
special qualifications.			
5.10.2. The Committee recommends that a majority of the members of a board committee be independent members.		X	In light of the composition of the board, it has not been possible to create an audit committee which in majority consist of independent members. It is expected that this recommendation will be adhered to during 2013.
5.10.3. The Committee recommends that the supreme governing body establish an actual <u>audit committee</u> .	X		This committee has been in existence since 2008.
5.10.4. The Committee recommends that the following be taken into account in composing the audit committee: <ul style="list-style-type: none"> • the chairman of the supreme governing body should not be chairman of the audit committee, and • between them, the members should possess such an amount of expertise and 	X		The board continuously asses the requirements of the audit committee to ensure the optimal composition.

Recommendation	The company complies	The company does not comply	<p>The company complies/does not comply with the recommendation due to the following reason:</p> <p>According to the Danish Financial Statement Act sec.107b (1)(3), 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>experience as to provide an updated insight into and experience in the financial, accounting and audit conditions of companies whose shares are admitted to trading on a regulated market.</p>			
<p>5.10.5. The Committee recommends that, prior to the approval of the annual report and other financial reports, the audit committee monitor and report to the supreme governing body 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. 	X		<p>Following its meetings, the audit committee reports its findings to the board.</p>
<p>5.10.6. The Committee recommends that the audit committee:</p> <ul style="list-style-type: none"> • annually consider whether there is a need 	X		<p>The board annually assess the need to establish an internal audit function. Currently, and in light of the size and complexity of the company, the board has determined that there is not a need for an internal audit function in Asetek.</p>

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation due to the following reason: According to the Danish Financial Statement Act sec.107b (1)(3), 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. 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>for an internal audit function, and if so,</p> <ul style="list-style-type: none"> • formulate recommendations on selecting, appointing and removing the head of the internal audit function and on the budget of the internal audit function, and • monitor the executive board's follow-up on the conclusions and recommendations of the internal audit function. • 			
<p>5.10.7. The Committee recommends that the supreme governing body establish a <u>nomination committee</u> with at least the following preparatory tasks:</p> <ul style="list-style-type: none"> • describe the qualifications required in the two governing bodies and for a given position, state the expected time commitment for a position and evaluate the balance of skills, knowledge and experience available in the two governing 		X	<p>Given the size and complexity the board has currently not determined that there is a need to establish a nomination committee. Instead, the tasks are carried out by the board as a whole.</p>

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation due to the following reason: <p>According to the Danish Financial Statement Act sec.107b (1)(3), 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>bodies.</p> <ul style="list-style-type: none"> • annually evaluate the structure, size, composition and performance of the governing bodies and make recommendations to the supreme governing body with regard to any changes, • annually evaluate the skills, knowledge and experience of the individual members of the governing bodies and report such details to the supreme governing body, • consider proposals submitted by relevant persons, including shareholders and members of the governing bodies, for candidates for executive positions, and • identify and recommend to the supreme governing body candidates for the governing bodies. 			

Recommendation	The company complies	The company does not comply	<p>The company complies/does not comply with the recommendation due to the following reason:</p> <p>According to the Danish Financial Statement Act sec.107b (1)(3), 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>5.10.8. The Committee recommends that the supreme governing body establish a <u>remuneration committee</u> with at least the following preparatory tasks:</p> <ul style="list-style-type: none"> • make proposals, for the approval of the supreme governing body prior to approval at the general meeting, on the remuneration policy, including the overall principles of incentive pay schemes, for members of the supreme governing body and the executive board, • make proposals to the supreme governing body on remuneration for members of the supreme governing body and the executive board and ensure that the remuneration is consistent with the company's remuneration policy and the evaluation of the performance of the persons concerned. The committee 	X		<p>The board has elected a nomination committee, which has been in place since 2008.</p>

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation due to the following reason: According to the Danish Financial Statement Act sec.107b (1)(3), 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. 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>should have information about the total amount of remuneration that members of the supreme governing body and the executive board receive from other companies in the group, and</p> <ul style="list-style-type: none"> oversee that the information in the annual report on the remuneration of the supreme governing body and the executive board is correct, true and sufficient. 			
5.10.9. The Committee recommends that the remuneration committee do not consult with the same external advisers as the executive board of the company.	X		The committee works independently of the executive board.
<i>5.11. Evaluation of the performance of the supreme governing body and the executive board</i>			
5.11.1. The Committee recommends that the		X	Given the size and complexity of the company, the board at this time has not found

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation due to the following reason: According to the Danish Financial Statement Act sec.107b (1)(3), 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. 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.
supreme governing body undertake an annual evaluation of the performance and achievements of the supreme governing body and of the individual members of the body.			it necessary to establish a formal evaluation procedure. Instead, an informal valuation process is continuously being performed, and the board considers this type of evaluation appropriate and optimal to Asetek.
5.11.2. The Committee recommends that the chairman be in charge of the evaluation of the supreme governing body, that the outcome be discussed in the supreme governing body and that the details of the procedure of self-evaluation and the outcome be disclosed in the annual report.		X	See above under 5.11.1
5.11.3. The Committee recommends that the supreme governing body at least once every year evaluate the work and performance of the executive board in accordance with pre-defined criteria.	X		The evaluation of the work of the executive board is performed once annually in connection with the negotiation of the compensation for the executive management.

Recommendation	The company complies	The company does not comply	<p>The company complies/does not comply with the recommendation due to the following reason:</p> <p>According to the Danish Financial Statement Act sec.107b (1)(3), 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>
5.11.4. The Committee recommends that the executive board and the supreme governing body establish a procedure according to which their cooperation is evaluated annually through a formalised dialogue between the chairman of the supreme governing body and the chief executive officer and that the outcome of the evaluation be presented to the supreme governing body.		X	The cooperation between the board of directors and the executive board is evaluated and adjusted continuously. The board currently does not assess that there is a need for a more formalized process.
6. Remuneration of members of the governing bodies			
<i>6.1. Content and form of the remuneration policy</i>			
6.1.1. The Committee recommends that the supreme governing body adopt a remuneration policy applicable to the supreme governing body and the executive board.	X		The board has adopted a remuneration policy for the board. As the executive board is compensated at market levels and is independant of the board of directorsl, a formal policy has not been deemed necessary at this point.
6.1.2. The Committee recommends that the		X	Given the size and complexity of the company, the board does not find it to be

Recommendation	The company complies	The company does not comply	<p>The company complies/does not comply with the recommendation due to the following reason:</p> <p>According to the Danish Financial Statement Act sec.107b (1)(3), 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>
remuneration policy and any changes to the policy be approved by the general meeting of the company.			efficient to discuss the remuneration on the general meetings.
6.1.3. Committee recommends that the remuneration policy include a thorough description of the components of the remuneration for members of the supreme governing body and the executive board.		X	Significant changes in the remuneration of the board of directors will be discussed on the general meeting.
6.1.4. The Committee recommends that the remuneration policy include: <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. • 	X		Elements adequate to the size and complexity of Asetek is included in the remuneration policy.

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation due to the following reason: According to the Danish Financial Statement Act sec.107b (1)(3), 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. 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>6.1.5. 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, and • there be criteria ensuring that vesting periods for variable components of remuneration agreements are longer than one calendar year. 	X		Elements adequate to the size and complexity of Asetek is included in the remuneration policy.
<p>6.1.6. The Committee recommends that</p>		X	Aseteks board of directors find that a combination of cash compensation and

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation due to the following reason: According to the Danish Financial Statement Act sec.107b (1)(3), 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. 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.
remuneration of members of the supreme governing body do not include share or warrant programmes.			sharebased compensation is in the best interest of the company.
6.1.7. The Committee recommends that if members of the executive board receive share-based remuneration, such programmes be established as roll-over programmes, i.e. the options are granted periodically and should not be exercisable earlier than three years from the date of grant. An explanation of the relation between the redemption price and the market price at the time of grant should be provided.		X	Asetek share based compensation practice for board members include options which are vesting over 24 months with a 6 months vesting cliff.
6.1.8. The Committee recommends that, in exceptional cases, companies should be able to reclaim in full or in part variable components of remuneration that were paid on the basis of data, which proved to be manifestly misstated.		X	Given the size and complexity of the company, the board does not find it to be efficient to make any part of the compensation contingent upon certain scenarios.

Recommendation	The company complies	The company does not comply	<p>The company complies/does not comply with the recommendation due to the following reason:</p> <p>According to the Danish Financial Statement Act sec.107b (1)(3), 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>
6.1.9. The Committee recommends that termination payments should not amount to more than two years' annual remuneration.	X		Asetek does not have termination agreements that include termination payments in excess of two years of remuneration.
<i>6.2. Disclosure of the remuneration policy</i>			
6.2.1. The Committee recommends that the remuneration policy be clear and easily understandable and that it be disclosed in the annual report and posted on the company's website.	X		The actual remuneration to board members and executive board members is disclosed in the annual law in accordance with the applicable laws and regulation.
6.2.2. The Committee recommends that the company's remuneration policy and compliance with this policy be explained and justified in the chairman's statement at the company's general meeting.	X		The chairman's statement at the general meeting will include a discussion of the company's remuneration policies.

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation due to the following reason: According to the Danish Financial Statement Act sec.107b (1)(3), 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. 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.
6.2.3. The Committee recommends that the total remuneration granted to each member of the supreme governing body and the executive board by the company and other consolidated companies be disclosed in the (consolidated) financial statements and that the linkage with the remuneration policy be explained.		X	Given the size and complexity of the company, the board has not deemed it efficient to discuss detailed remuneration details in the financial statements.
6.2.4. The Committee recommends that the details of any defined-benefit schemes offered to members of the supreme governing body or the executive board and the actuarial value of such schemes as well as changes during the year be included as part of the information on the total remuneration.		X	Asetek has not entered into any defined-benefit schemes with its board members or the executive board.
6.2.5. The Committee recommends that the most important aspects of retention and severance programmes be disclosed in the		X	Asetek has not entered into severance programs that various from normal termination period clauses.

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation due to the following reason: According to the Danish Financial Statement Act sec.107b (1)(3), 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. 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.
company's annual report.			
6.2.6. The Committee recommends that the proposal for remuneration of the supreme governing body for the current financial year be approved by the shareholders at the general meeting.		X	Given the size and complexity of the company, the board does not find it to be efficient to discuss the remuneration on the general meetings.
7. Financial reporting			
<i>7.1. Other relevant information</i>			
7.1.1. The Committee recommends that the annual report and other financial reports be supplemented by additional financial and non-financial information, if deemed necessary or relevant in relation to the information needs of the recipients.	X		In connection with the preparation of the annual report, the board every year determines which supplemental information is necessary or relevant to the information needs of the recipient.

Recommendation	The company complies	The company does not comply	<p>The company complies/does not comply with the recommendation due to the following reason:</p> <p>According to the Danish Financial Statement Act sec.107b (1)(3), 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>
7.2. <i>Going concern assumption</i>			
7.2.1. The Committee recommends that, upon consideration and approval of the annual report, the supreme governing body decide whether the business is a going concern, including supporting assumptions or qualifications where necessary.	X		In connection with the approval of the annual report, the board discusses the various assumptions or qualifications applicable to the report.
8. Risk management and internal control			
8.1. <i>Identification of risks</i>			
8.1.1. The Committee recommends that the central governing body at least once every year identify the most important business risks associated with the realisation of the company's strategy and overall goals as well as the risks associated with financial reporting.	X		The board continuously assesses and identifies the most important areas of risk to the company's strategy and overall goals.

Recommendation	The company complies	The company does not comply	<p>The company complies/does not comply with the recommendation due to the following reason:</p> <p>According to the Danish Financial Statement Act sec.107b (1)(3), 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>
8.1.2. The Committee recommends that the executive board currently report to the supreme governing body on the development within the most important areas of risk and compliance with adopted policies, frameworks etc. in order to enable the supreme governing body to track the development and make the necessary decisions.	X		The executive board continuously inform the board on the development within the most important areas of risk and compliance with adopted policies etc.
<i>8.2. Whistleblowing</i>			
8.2.1. The Committee recommends that the supreme governing body decide whether to establish a whistleblowing scheme for expedient and confidential notification of possible or suspected wrongdoing.	X		Asetek has established a whistleblower scheme which is processed by an external party.
<i>8.3. Openness about risk management</i>			
8.3.1. The Committee recommends that the	X		Any significant business risk is adequately addressed in the annual report.

Recommendation	The company complies	The company does not comply	The company complies/does not comply with the recommendation due to the following reason: According to the Danish Financial Statement Act sec.107b (1)(3), 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. 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.
management commentary in the annual report include information about the company's management of business risks.			
9. Audit			
<i>9.1. Contact to auditor</i>			
9.1.1. The Committee recommends that the supreme governing body maintain a regular dialogue and exchange of information with the auditor.	X		The audit committee ensures a regular dialogue and exchange of information with the auditor.
9.1.2. The Committee recommends that the auditor agreement and auditors' fee be agreed between the supreme governing body and the auditor on the basis of a recommendation from the audit committee.	X		The executive management negotiates the audit agreement and fees with the auditor and present the proposal to the audit committee.

Recommendation	The company complies	The company does not comply	<p>The company complies/does not comply with the recommendation due to the following reason:</p> <p>According to the Danish Financial Statement Act sec.107b (1)(3), 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>9.1.3. The Committee recommends that the supreme governing body and the audit committee meet with the auditor at least once every year without the executive board present. This also applies to the internal auditor, if any.</p>			<p>Aseteks board meets with the auditor at least once every year without the executive board present</p>
<p>9.2. Internal audit</p>			
<p>9.2.1. The Committee recommends that the supreme governing body, on the basis of a recommendation from the audit committee, once every year decide whether to establish an internal audit for support and control of the company's internal control and risk management systems and state the reasons for its decision in the annual report.</p>			<p>The board annually assess the need to establish an internal audit function. Currently, and in light of the size and complexity of the company, the board has determined that there is not a need for an internal audit function in Asetek. The external auditor is reporting on the internal control systems to the audit committee once per year.</p>

2. **THE COMPANY COMPLIES WITH OTHER CODES OF CORPORATE GOVERNANCE**

The company has decided to comply with **[insert code]**, which is available on the following website: **[insert link]**

Recommendation	The company complies with	The company does not comply with	The company complies/does not comply with the recommendation due to the following reason:
N/A	N/A	N/A	N/A

3. **MAIN ELEMENTS IN THE COMPANY'S INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS IN CONNECTION WITH FINANCIAL REPORTING**

Asetek applies various customary internal control and risk management measures which are aimed at matching companies at comparable size and complexity.

4. **COMPOSITION OF GOVERNING BODIES AND COMMITTEES AND THEIR FUNCTION**

Audit Committee:

Composition as per February 13, 2013: Chairman: Alexander Wong and member Gregers Kronborg.

PURPOSE

The purpose of the Audit Committee of the Board of Directors (the "Board") of Asetek A/S (together with its subsidiaries, the "Company") shall be to:

- Oversee the accounting processes of the Company and audits of the financial statements of the Company;
- Assist the Board in oversight and monitoring of (1) the integrity of the Company's financial statements, (2) the independent auditor's qualifications, independence and performance, (3) the Company's internal accounting and financial controls, and (4) the Company's compliance with legal or regulatory requirements related to the financial standing and reporting of the Company;
- Provide the Board with the results of its monitoring and recommendations derived therefrom; and
- Provide to the Board such additional information and materials as it may deem necessary to make the Board aware of significant financial matters that require the attention of the Board.

In addition, the Audit Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board may from time to time prescribe.

Compensation Committee:

Composition as per February 13, 2013: Chairman: Sam Szteinbaum and members Henri Richard and Alexander Wong

PURPOSE

The purpose of the Compensation Committee of the Board of Directors (the "Board") of Asetek A/S (together with its subsidiaries, the "Company") shall be to discharge the Board's responsibilities relating to compensation of the Company's executives and administration of benefit plans.

The Committee shall assist the Board in, as applicable, administering and overseeing (i) the Company's compensation policies, plans and benefit programs, (ii) the administration of the Company's equity-based plans and (iii) the compensation of the Company's executive officers.