

**Form for reporting on the recommendations on corporate governance,
6 May 2013**

This form is meant as a tool for Danish companies with shares admitted to trading on a regulated market who wish to report on the company's compliance with the recommendations on corporate governance in a standard reporting format.

The recommendation text of this form does not replace the recommendations; reference is made to the recommendations on corporate governance with regard to preface, introduction and comments. The Committee's comments on the recommendations may be included as guidelines and inspiration for companies in their work on the recommendations. In this connection the comments are meant as a tool. The reporting on corporate governance itself should only be carried out in compliance with the specific recommendations of the Committee, and not according to the comments or guidelines.

The report must be composed in Danish and must be provided in a corporate governance report published as either part of the management commentary on the annual report or on the company's website with exact reference to the management commentary. The Committee believes that publication of the corporate governance report on the company's website - with exact reference to the report in the management commentary - creates the highest degree of transparency. Publication of the report on the company's website provides easier access for investors and other stakeholders.

Under the Financial Statement Act a publication on the company's website requires that the URL address - where the corporate governance report is published - is stated in the management commentary in the annual report. The URL address must be the internet address which can be used to access the report **directly**.

There are further requirements to the preparation of the report on corporate governance and how it is to be published. The detailed requirements are described in Executive order no. 761 of 20 July 2009 on Publication of Reports on Corporate Governance and Corporate Social Responsibility in supplementary reviews and on the business' website.

Notice: The form below contains the recommendations of the Committee on Corporate Governance of 6 May 2013. The recommendations are available on the website of the Committee on Corporate Governance www.corporategovernance.dk. NASDAQ OMX Copenhagen A/S has decided to include the recommendations in the Rules for issuers of shares by 1 June 2013. **This form may be used for the preparation of the report on corporate governance in annual reports concerning financial years commencing 1 January 2013 or later.**

“Comply or explain”

If a company deviates from parts of the recommendations, the company has to explain the reasons for the deviations, cf. section 107 b (1) (iii) of the Financial Statements Act. The company has to explain why it has chosen not to comply with a recommendation and what it has chosen to do instead. Failure to comply with a recommendation is not considered a breach of rules, but merely implies that the board of directors of the company has chosen a different approach. The market must decide whether deviations are justified and whether the explanation is satisfactory. A good explanation provides specific insight for stakeholders to be able to decide on any investments. In order to create the transparency necessary for investors, companies must respond to each recommendation and provide information on whether or not they will comply with the recommendation in question.

Note that the reporting must reflect the current style of management at the time of the reporting. In the event of significant changes during the year, or after the balance sheet date, descriptions of the changes should be included in the corporate governance report. Companies must consider each of the recommendations.

If the company complies partially with a recommendation the company must specify which parts it is complying with, why it is deviating from the remaining part of the recommendation and what it has chosen to do instead.

The Committee has observed that many companies choose to provide supplementary information even in cases where the company complies with a recommendation. The Committee encourages companies to provide supplementary information where this increases transparency.

The report concerns the financial year **2014-2015 (October 2014 to September 2015)**

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
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			RTX continuously conducts an open and active dialogue with current and potential investors, analysts as well as other interested parties about the company's business development and financial position. This also includes participation in capital market days and other events. All company announcements are made in both Danish and English.
1.1.2. The Committee recommends that the board of directors adopt policies on the company's relationship with its stakeholders, including shareholders and other investors, and that the board ensures that the interests of the shareholders are respected in accordance with company policies.	X			All announcements and reports from RTX are published electronically. The policy is available on the company's website.
1.1.3. The Committee recommends that the company publish quarterly reports	X			RTX A/S publishes quarterly reports.

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
<i>1.2. General meeting</i>				
<p>1.2.1. The Committee recommends that when organizing the company's general meeting, the board of directors plans the meeting to support active ownership.</p>	X			<p>The following was adopted at the Annual General Meeting in 2011:</p> <p>The company can handle all communication from the company to the individual shareholder electronically, including via email, and general announcements will be available for the shareholders on the company's website www.rtx.dk, unless otherwise stated in the Danish Public Companies Act. The company can at all times communicate to the individual shareholder via ordinary letter post as a supplement or alternative to electronic communication.</p> <p>Summoning of shareholders to the Annual General Meeting or the Extraordinary General Meeting, including forwarding of complete proposals for amendment of the articles of association, forwarding of the agenda, annual reports, company announcements, admission cards as well as other general</p>

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
				<p>information from the company to the shareholders can be forwarded by the company to the shareholders electronically, including via email. Except admission cards for the Annual General Meeting the above-mentioned documents will be available at www.rtx.dk. The Company is obliged to request registered shareholders for an electronic address, to which announcements etc. can be sent. It is the responsibility of every shareholder to ensure that the Company is in possession of the correct electronic address. Additional information is available on www.rtx.dk.</p>
<p>1.2.2. The Committee recommends that proxies granted for the general meeting allow shareholders to consider each individual item on the agenda.</p>	X			<p>Proxies to the Supervisory Board are given for one Annual General Meeting at a time. The shareholder will have the possibility to take a position on each item on the agenda on the proxies that RTX employs.</p>
<p>1.3. Takeover bids</p>				
<p>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</p>	X			<p>The Supervisory Board's attitude is in accordance with the recommendation should the situation occur.</p>

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
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.				
2. Tasks and responsibilities of the board of directors				
<i>2.1. Overall tasks and responsibilities</i>				
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			The Supervisory Board's attitude is in accordance with the recommendation and the Board has during the fiscal year 2012-13 amended and approved new guidelines for the work of the Board. The Board has during the fiscal year 2014-15 reassessed the guidelines.
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			The Supervisory Board's attitude is in accordance with the recommendation and RTX holds an annual Strategy Conference.
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			The Supervisory Board's attitude is in accordance with the recommendation. The Board has thus, based upon the strength of the Company's capital structure, been granted the authority to initiate a buy-back program of the Company's shares until January 2016. The strategy for the two business units in RTX is

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
				described in the quarterly reports and is available at the Company's website www.rtx.dk .
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 chairmanship annually approves the guidelines for reporting to the Supervisory Board on an ongoing basis. The guidelines contain requirements to the Executive Board's reporting and communication to the Supervisory Board. The recommendations are followed.
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			At least annually the Supervisory Board of RTX discusses the composition and structure of the Group Management.
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 Supervisory Board for RTX A/S had adopted the following HR policy: Executive Management: In April 2013 the Supervisory Board decided a policy to ensure an increased number of women in the board members elected at the Annual General Meeting. The objective is that by 2017 at the latest the number of female members of the board elected at the Annual General Meeting shall be minimum 17% of the board

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
				<p>members elected at the Annual General Meeting. In January 2014 the first female member of RTX's Supervisory Board was elected by the Annual General Meeting, meaning that women already now represent 20% of the board members elected by the Annual General Meeting.</p> <p>Other management: In order to promote, facilitate and increase the number of women in management level positions at RTX, management has in 2013/14 defined the following objectives: Increase percentage of women at manager level as vacancies arise, subject to identification of candidates with appropriate skills, and in this connection ensure that engaged search and selection firms are requested to identify at least one female candidate for such positions. For future vacancies women will be encouraged to apply even though the engineering industry is male dominated. This is to support a feed channel of potential female managers.</p>

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
<i>2.2. Corporate social responsibility</i>				
2.2.1. The Committee recommends that the board of directors adopt policies on corporate social responsibility.	X			RTX's Supervisory Board and Executive Management strive to act responsibly towards all the Group's stakeholders. In its Annual Reports RTX has described its CSR including its collaboration with sub-suppliers and major customers. In 2013/14, RTX has adopted UN's Global Compact. The company's has defined policies for its staff and social responsibility. The COP report has been published and is available on the Company's website.
<i>2.3. Chairman and vice-chairman of the board of directors</i>				
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			The Supervisory Board has appointed a Deputy Chairman.
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	X			The rules of business include a general description of the Chairman's and Deputy Chairman's task, duties and responsibilities.

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
and the expected duration hereof should be published in a company announcement.				
3. Composition and organization of the board of directors				
<i>3.1. Composition</i>				
<p>3.1.1. The Committee recommends that the board of directors annually accounts for</p> <ul style="list-style-type: none"> • the skills it must have to best perform its tasks, • the composition of the board of directors, and • the special skills of each member. 	X			In its Annual Report the Company has listed the directories of each member of the Supervisory Board. The Company has listed the composition of the Executive Board and of each member's skills.
<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			On an ongoing basis the Supervisory Board discusses required skills and act upon the assessment. In relation to the election of board members at the Annual General Meeting each candidates profile is presented. The Supervisory Board must possess competencies within: international management, insight of management in technology companies, international business activities, business-to-business sale, accounting and finance. The Supervisory Board motivates the

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
				candidates' qualifications in the summoning for the Annual General Meeting.
<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 election of members to the board of directors is on the agenda. • demanding organizational tasks, and information • about whether candidates to the board of directors are considered independent. 	X			Please refer to 3.1.2
<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			Persons who at the time of the Annual General Meeting are 70 years or more cannot be (re)appointed for the Supervisory Board. The age of the board members is stipulated in the Annual Report.
<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			This appears in the company's Articles of Association section 11.3.
3.2. Independence of the board of directors				
<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. To be considered independent, this person may not:</p> <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, 				Two of the five members of the Supervisory Board elected by the general assembly are considered non-independent.

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
<ul style="list-style-type: none"> • 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. 	X			<p>Jens Hansen is employed in the Group and is one of the company's founders. He is also a majority shareholder holding more than 5% of the company shares.</p> <p>Jesper Mailind held from October 2009 to January 2013 the position as the Executive Board in RTX.</p> <p>In connection with the presentation of candidates for the election at the Annual General Meeting it will be indicated if the candidate is independent.</p>
<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 assesses 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>The recommendation is being followed.</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, 	X			<p>The recommendation is being followed.</p>

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
<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 and demanding organizational tasks, and the number of shares, options, warrants and similar in the company, and other group companies of the company, owned by the member, as well as changes in the portfolio of the member of the securities mentioned which have occurred during the financial year. 				
3.4. Board committees				
<p>3.4.1. The Committee recommends that the company publish the following on the company's website:</p> <p>The terms of reference of the board committees,</p> <ul style="list-style-type: none"> 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			The recommendation is being followed.
<p>3.4.2. The Committee recommends that a majority of the members of a board committee be independent.</p>	X			The recommendation is being followed.
<p>3.4.3. The Committee recommends that the board of directors set up a formal <u>audit committee</u> composed 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 		X		Based on the new composition of the Supervisory Board in January 2015, the Board has estimated that the auditing concerns the whole board, and in 2014/15, a separate audit committee has not been established. Terms have been described for the audit committee and four

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
and audit aspects of companies whose shares are admitted to trading on a regulated market.				annual meetings are held in connection with the board meetings.
<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			The recommendation is being followed.
<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 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. 	X			The recommendation is being followed.
<p>3.4.6. The Committee recommends that the board of directors establish a nomination committee 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 recommendations are partly followed. Due to the size of the company this task is handled by the chairmanship.</p> <p>When required a committee is established for specific tasks, which recently was done in January 2013 for the employment of a new CEO.</p>

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
<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>3.4.7. The Committee recommends that the board of directors establish a remuneration committee 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 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 recommend a remuneration policy applicable for the company in general. 		X		The recommendations are partly followed. Due to the size of the company this task is handled by the chairmanship.
<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			The recommendation is being followed.
3.5. Evaluation of the performance of the board of directors and the executive board				
<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			The Supervisory Board currently assesses its members' skills and knowledge and discusses its composition, size and results in the Group.

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
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 members are given the opportunity to participate actively.	X			The recommendation is being followed.
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 recommendation is being followed.
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 formalized 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			The recommendation is being followed.
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, • 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			The recommendation is being followed.

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
The remuneration policy should be approved by the general meeting and published on the company's website.				
<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 terms, • 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 • 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. 	X			The recommendation is being followed.
4.1.3. The Committee recommends that remuneration of members of the board of directors does not include share options.		X		The recommendation is being partly followed. The employee representatives may be covered by shared based remuneration as a result of their qualification profile and function.
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 recommendation is being followed.
4.1.5. The Committee recommends that agreements on termination payments should not amount to more than two years' annual remuneration.	X			The recommendation is being followed.
<i>4.2. Disclosure of the remuneration policy</i>				

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
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 recommendation is being followed.
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			The recommendation is being followed.
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			The recommendation is being followed.
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			The recommendation is being followed.
<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 recommendation is being followed. During the fiscal year 2012-13 a whistleblower scheme has been established. No

Recommendation	The company complies	The company complies partially	The company does not comply	The explanation for complying partially/not complying with the recommendation
				incidents have been reported in 2014/15.
<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 recommendation is being followed.
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 recommendation is being followed.

Section 3: Main elements in the company's internal control and risk management system relating to the accounting process

Main elements in RTX's internal control and risk management systems relating to the accounting

The Supervisory Board and the Executive Board have the primary responsibility for risk management and internal control systems in RTX, including compliance with the rules in force and other standards for financial reporting. RTX' risk management and internal control systems concerning the financing, including IT and tax, are described with the purpose of efficiently limiting the risk for faults and deficiencies in the accounting.

Control

The internal control in RTX is based on the company's organizational structure, decision processes, authorizations and responsibilities. Internal control is also carried out on the basis of procedures in manuals and notes. Central functions as group finances and IT have together with the executive board a responsibility of complying, controlling and assuring that relevant legislation and other requirements for accounting are kept, and this also includes accounting in the subsidiaries. RTX's Audit Committee comprises of the entire Supervisory Board, who has the task of evaluating and discussing important subjects influencing the company's accounting.

The Group has established internal control systems to ensure that the internal and external financial reporting gives a true and fair view without significant misinformation. The Chairmanship and the Executive Board currently consider major risks and internal controls in connection with the Group's activities and their impact on the process for accounting.

The control primarily consists of an organization with clearly defined roles supporting an efficient and relevant allocation of responsibilities, from an internal control perspective, and secondly of specific control activities intended to identify and reduce the risk for faults in the accounting. The control activities are based on an estimation of risk and significance.

Management currently supervises that relevant legislation and other rules for accounting are kept, and they inform the Supervisory Board and Audit Committee. The Supervisory Board and the Audit Committee supervise the management's response to any control weaknesses, and the auditors give current reports.

To guard the shareholders' and public interests the Supervisory Board will recommend a state authorized auditor for election at the Annual General Meeting.

Section 4: Composition of governing bodies, their committees and their function

Governing bodies in RTX A/S:

Supervisory Board

The Supervisory Board ensures that the company's management complies with the goals, strategies and politics set forth by the Supervisory Board. The Executive Board informs the Supervisory Board systematically by meetings as well as written and verbal reporting. The reporting includes conditions concerning the company's financial operations, profitability and future outlook.

At the moment the Supervisory Board consists of 8 members, of whom 5 members are elected at the Annual General Meeting and 3 members are employee representatives. Jens Hansen, employed in the Group, is one of the founders of the company and at the same time he is a major shareholder with a shareholding of more than 5% of the company shares. At the Annual General Meeting in January 2013 Jesper Mailind was elected, and re-elected in January 2014. In the period October 2009 to January 2013 Jesper Mailind was part of the Executive Board in RTX. In "Recommendations on corporate governance" is stated that at least half of the board members elected at the Annual General Meeting shall be independent. RTX follows the recommendation.

According to the Danish Companies Act employees are entitled to elect a number of members and deputies corresponding to half of the number of members elected at the Annual General Meeting, as a minimum 2 members. The employee representatives are elected for four years in accordance with Danish legislation. Election of employee representatives for the Supervisory Board is made via a written, confidential and direct voting. The next election takes place in 2019. The employee representatives have the same rights, obligations and responsibility as the members elected at the Annual General Meeting.

The members elected at the Annual General Meeting are up for election every second year, and can be re-elected up to the year of the member's 70 years' birthday.

In connection with recommendations at the Annual General Meeting the Supervisory Board publishes beforehand a short description of the individual candidates' background, competencies and any other management posts and positions of trust. Official recruitment criteria have so far not been used internally in the Supervisory Board. The Supervisory Board provides for a wide international experience covering the Group's requirements. For a description of the members of the board we refer to page 32 in the Annual Report for 2014/15.

In connection with the Annual General Meeting in January 2015 the Supervisory Board was re-elected. The Supervisory Board appointed Peter Thostrup as Group Chairman and Jesper Mailind as Deputy Chairman.

Based on the composition of the Board, it was decided not to establish an Audit Committee, as the tasks will be handled by the entire Supervisory Board. A mission statement for the responsibilities of the Audit Committee has been approved and 4 annual meetings are held in conjunction with the regular board meetings. The responsibilities and competencies of the Audit Committee are determined in the terms of reference published at www.rtx.dk.

In connection with the continued development of the Group's strategy and business development, the Supervisory Board was appointed a Strategy Committee. This Strategy Committee consists of Peter Thostrup, Jesper Mailind and Thomas Sieber as well as the Management.

Due to the Group's size and complexity the Supervisory Board decided not to establish any other committees.

The Chairman and Deputy Chairman of the Supervisory Board form the Chairmanship, who plans the meetings together with the Executive Board. The Chairman's – and in his absence the Deputy Chairman's – specific tasks are outlined by the rules of procedure of the Supervisory Board. The Chairmanship currently assesses the work, results and composition of the Supervisory Board and the Executive Board, and with the size of the Group they do not find it necessary to prepare and publish a description of this.

The Supervisory Board hires the Executive Board, who is responsible for the planning and execution of the strategic decisions made by the Supervisory Board.

In accordance with the rules of procedure of the Supervisory Board at least 4 meetings shall be held a year, minimum 1 in each quarter and as required In 2014/15 five meetings have been held. Besides an annual strategy meeting is held where the Group's overall strategy is discussed in order to ensure the value generation in the Group.