

REMUNERATION COMMITTEE REPORT

CHANGE IN CHIEF EXECUTIVE OFFICER'S REMUNERATION COMPARED TO GROUP EMPLOYEES WORLDWIDE

2018 - 2019 in %		Salary ¹⁾	Benefits ²⁾	Bonus
Chief Executive Officer	USD ('000)	1,041	41	1,126
	% Change ³⁾	-2%	-7%	165%
	Average %			
Employees entire group	change	4.6%	0.0%	28.4%

¹⁾ The comparative figures used to determine the % change take into consideration the CEO's salary and benefits.

²⁾ Other benefits provided directly relate to company car benefit.

³⁾ % Change in DKK for Salary and Directors Fees is 6%, Taxable Benefits is 0% and Annual Bonus is 175%.

The table above shows the average percentage year-on-year change in base salary, benefits and annual bonus in 2018 for the Chief Executive Officer compared to the entire Group's employees.

RELATIVE IMPORTANCE OF SPEND ON PAY

Expenditure USDm	2019	2018	2017
Dividends paid	-	-	1.2
Purchase of outstanding treasury shares in TORM A/S	-	-	-
Purchase/disposals of treasury shares	-	-	-
Total	-	-	1.2
Staff costs	45.8	46.2	43.8
Retained earnings	920.0	752.0	786.0

The table above shows the actual expenditure of the Group for employee pay and distributions to shareholders compared to the retained earnings of the Group.

RESPONSE TO 2019 AGM SHAREHOLDER VOTING

Vote	For	Against	Abstain
Vote on 2019 implementation report	52,355,637	163,629	78
In % of eligible votes	70.8%	0.2%	0.0%

The table above shows the response to the 2019 AGM shareholder voting.

Managing executive pay

TORM intends to focus on the relationship between executive pay and the wider workforce in the period ahead and develop further the disclosure on this topic.

Outside appointments

The Executive Director is entitled to retain the fees earned from non-executive appointments outside the Company. Jacob Meldgaard was appointed as a Non-Executive Director of Danish Ship Finance A/S for which he received DKK 350,000 and as a Non-Executive Director of SYFOGLOMAD Limited for which he received Euro 5,000 for his services during 2019.