

## ISS, Annual General Meeting, April 11<sup>th</sup> 2025

Thank you very much. My name is Mark Jessen and I represent ATP.

Thank you to the chair and the CEO for a thorough presentation of the 2024 results.

At first, I would like to compliment ISS for doing a real effort to develop the annual general meeting this year. In a time where most companies are doing less around the agm, I am pleased to see ISS inviting more actively, adding a networking session after the formal agenda and simply experimenting on being more shareholder friendly. This deserves a big applause.

2024 became a year with a lot of focus on one single customer in Germany. I think enough has been said on that matter, and I will only underline, that I look forward to a solution, so the situation won't get the attention from the healthy development in the rest of the business.

Instead, I think it is important to look at the growth on topline and stable margin. In my opinion this is how ISS should be able to develop year after year. In recent years, the topline has been driven mostly by price – including inflationary countries – but it is important to have volume growth as well. The management has agreed on this on several occasions and been very optimistic on the pipeline of potential new contracts. But so far announcements of new larger contracts have been limited.

Given the company's history of taking on too much risk with new contracts, one might wonder whether ISS has now become overly cautious in negotiations. I would like to ask if the optimism on the pipeline is still intact, and what it will take to see a higher conversion?

Moving on to the remuneration report. I'm pleased to see the wide limits in the policy is still not fully utilized. Another thing that caught my attention is the financial KPI's in the yearly bonus. They are "above target" despite financial results being just in line with the financial guidance for the year. This leads me to ask, how the bonus scheme is aligned with the financial guidance and whether the yearly bonus is a motivation for an extra effort?

Let me change focus to the financial reports. ISS changed practice during the turnaround process to report trading updates instead of quarterly reports. Since ISS is not a high-growth software company - where topline typically dominates investor focus—greater transparency on profitability and cash flow would likely enhance credibility. My last question today is on this matter. Does the board consider to either extend the trading updates with information on profitability and cash-flows or even provide full quarterly reports in the future?

Before concluding, I'd like to touch on the topic of sustainability reporting and CSRD. The annual report was 50 pages longer this year. Mainly due to CSRD and the sustainability reporting in the annual report. This has been a huge task for many companies including ISS. I hope it has provided value and clarity to the organization, and not just been a compliance exercise.

I would like to underline our message from the previous years, where we encourage companies to focus on the most material topics for their company. Otherwise, companies can end up reporting for the sake of reporting.

With that, I would like to wish everyone in ISS all the best in 2024.

Thank you.



Mark Jessen  
Director, Portfolio Manager  
Danish Equities

*Questions were commented on by the chairman of the board/managing director.*

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