

# **DFDS A/S: committees of the Board of Directors**

## **1. Audit Committee**

The purpose of the Audit Committee (the "Committee") is to assist the Board of Directors in fulfilling its responsibilities relating to the oversight of the quality and integrity of the accounting, auditing and financial reporting of the Company.

The Committee consists of Lene Skole (chairperson), Vagn Sørensen and Jill Lauritzen Melby. Lene Skole and Vagn Sørensen are deemed independent. Lene Skole has special competences in international management and accounting. Vagn Sørensen has special competences in international management, functioning as a director in international and listed companies as well as international aviation. Jill Lauritzen Melby has special competences in financial controlling.

There have been a total of 3 meetings during 2011. The main topics dealt with were accounting practices concerning 2010, preparation for 2011 accounts, financial integration of Norfolkline, as well as financial and IT risk management.

The Company's CFO and Head of Accounting normally participate in the meetings as well as the Committee Secretary. None of these are members of the Committee.

Committee meetings are held at least three times per year or as often as the Chairperson deems necessary.

The Chairperson must always approve up-front any significant compensation to the independent auditors for non-audit services at the level of 1 MDKK or if type of service is related to representing the Company in any way and services not related to i) general advice/assistance on accounting matters and presentation of accounts, ii) corporate and tonnage tax matters for the Company, iii) tax advice for persons regarding secondment and iv) VAT and indirect taxes.

The Committee may arrange to meet without participation of the Company representatives, as it deems appropriate.

The Management of the Company makes appropriate secretarial support available for the Committee.

The Committee may engage and compensate outside counsel or other experts or consultants, as it deems appropriate to carry out its duties. Such engagement and compensation shall be made through Management or the Head of Accounting Department.

The Committee reports to the Board of Directors.

The Committee shall oversee the accounting and financial reporting processes of the Company, the audits of the Company's financial statements and the qualifications, independence and performance of the appointed independent auditors.

The tasks/duties of the Committee are:

- Overseeing the integrity of the Company's financial statements and the Company's accounting and financial reporting processes and financial audits
- Overseeing the Company's compliance with legal and regulatory requirements
- Overseeing the independent auditor's qualifications, performance and independence and their audit of the Company's financial statements
- Overseeing the Company's systems of disclosure controls and procedures, internal controls over financial reporting and their efficiency
- Evaluating the need for an Internal Audit
- Overseeing the Company's processes for risk identification, evaluation and management.
- Nominate to the Board of Directors the Company's independent auditor to be elected

The Committee must once a year evaluate the performance of the Committee.

## **2. Remuneration Committee**

The purpose of the Remuneration Committee is to assist the Board of Directors in fulfilling its responsibilities relating to the establishment, monitoring and adjustment of the Company's remuneration policy including incentive schemes.

The Committee consists of Bent Østergaard (chairperson), Vagn Sørensen and Søren Skou. Vagn Sørensen and Søren Skou are deemed independent. Bent Østergaard has special competences in international management, functioning as a director in international and listed companies as well as international shipping. Vagn Sørensen has special competences in international management, functioning as a director in international and listed companies as well as international aviation. Søren Skou has special competences in international management, shipping, logistics and procurement.

The Committee was established in 2011 and had 2 meetings focusing on adjustments to the Company's remuneration policy.

Committee meetings are held at least once per year or as often as the Chairperson deems necessary.

The Management of the Company makes appropriate secretarial support available for the Committee.

The Committee reports to the Board of Directors.

The Committee may engage and compensate outside consultants, as it deems appropriate to carry out its duties. Such engagement and compensation shall be made through the Chairman of the Board and unless specifically agreed otherwise any consultants used shall not have acted for the executive board.

The tasks/duties of the Committee are:

- To propose the remuneration policy including the overall guidelines for incentive pay of the Board of Directors and the Executive Board for the approval of the Board of Directors prior to the approval of the annual general meeting.
- To make proposals to the Board of Directors as to remuneration (all salaries including fixed, variable and performance based remuneration, pensions, employee benefits/fringe benefits, car scheme, retirement agreements etc.) to as well as employment contract for members of the Board of Directors and the Executive Board.
- To ensure that the remuneration (and other benefits offered to the members of the Board of Directors and the Executive Board) comply with the remuneration policy of the company and the performance of the individual. The Committee must be informed of the total remuneration (and other benefits etc.) which members of the Board of Directors and the Executive Board may receive from other group companies.
- To propose policies etc. (including any threshold amount) for travel and entertainment expenses, car scheme, fringe benefits etc. and how to obtain approval hereof.
- To ensure that the information of the annual report on remuneration of the Board of Directors and the Executive Board is correct, accurate and sufficient.

- To monitor other matters in relation to the matters mentioned which the Remuneration Committee at its own discretion may consider relevant together with other assignments which the Board of Directors may request the Remuneration Committee to undertake or evaluate.

### **3. Nomination Committee**

The purpose of the Nomination Committee (the "Committee") is to assist the Board of Directors in fulfilling its responsibilities relating to the oversight of the competences required of the Board of Directors and the Executive Board and the organisational structure of the management bodies of the Company as well as reporting thereon. Further, the Nomination Committee shall assist when the Company is recruiting for the management bodies of the Company, including assisting the Executive Board when recruiting for the Company's executive committee.

The Committee consists of Bent Østergaard (Chairperson), Vagn Sørensen and Søren Skou. Vagn Sørensen and Søren Skou are deemed independent. Bent Østergaard has special competences in international management, functioning as a director in international and listed companies as well as international shipping. Vagn Sørensen has special competences in international management, functioning as a director in international and listed companies as well as international aviation. Søren Skou has special competences in international management, shipping, logistics and procurement.

The Committee was established in 2011 and had 1 meeting focusing on the Company's general succession planning.

Committee meetings are held at least once per year or as often as the Chairperson deems necessary.

The Management of the Company makes appropriate secretarial support available for the Committee.

The Committee reports to the Board of Directors.

The Committee may engage and compensate outside consultants, as it deems appropriate to carry out its duties. Such engagement and compensation shall be made through the Chairman of the Board.

The tasks/duties of the Committee are:

- Annually to evaluate the competences required by the management bodies and for a given position and to specify the time necessary to spend to perform the duties of the position and to assess competences, knowledge and experience available in the management bodies and to explain/present this to the Board of Directors.
- Annually to evaluate the structure, size, composition and results/performance of the management bodies and to report this to the Board of Directors and to recommend any necessary changes to the Board of Directors.
- Annually to evaluate the competences, knowledge and experience of the individual members of the management bodies and to report this to Board of Directors.

- Prior to commencing a search process for a given position, to describe the requirements and nature of the position and the competences, knowledge, experience and expected time consumption required for fulfilling the vacant position.
- To consider proposals from relevant persons including shareholders and members of the management bodies for candidates to vacant positions in the management bodies.
- To recommend to the Board of Directors candidates for the management bodies.
- To ensure a qualified selection of any external consultants assisting in the search for candidates based on qualifications, knowledge and experience.
- To review and evaluate the candidates and their competences, knowledge and experience and whether they have the necessary time available. The assessment should take into account the description referred to above and the competences, knowledge and experience available in the two management bodies.
- To ensure that plans and processes are continuously available to ensure that an appropriate succession planning is in place for principal positions in the management bodies.
- To recommend new members and chairmen of committees after having consulted the chairman of the Board of Directors or the chairman of the specific committee.
- To consider other matters in relation to the tasks that the Nomination Committee at its own discretion may consider necessary and other tasks that the Board of Directors may request the Nomination Committee to prepare or evaluate.

#### **4. Chairmanship**

The purpose of the Chairmanship is to assist the Board of Directors in fulfilling its responsibilities by meeting between the meetings of the full Board of Directors with or without the Management Board.

The Chairmanship consists of Bent Østergaard (Chairperson), Vagn Sørensen and Søren Skou. Vagn Sørensen and Søren Skou are deemed independent. Bent Østergaard has special competences in international management, functioning as a director in international and listed companies as well as international shipping. Vagn Sørensen has special competences in international management, functioning as a director in international and listed companies as well as international aviation. Søren Skou has special competences in international management, shipping, logistics and procurement.

There have been a total of 4 meetings during 2011. The meetings have primarily dealt with potential acquisitions.

Meetings of the Chairmanship may be held at the request of any member.

The Management of the Company makes appropriate secretarial support available for the Chairmanship.

The Chairmanship reports on its meetings and activities to the Board of Directors.

The tasks/duties of the Chairmanship are:

- To meet between regular meetings of the Boards of Directors to follow up on issues already discussed within the Board of Directors on an earlier occasion, to prepare or progress matters in advance of a subsequent meeting of the Board of Directors or to discuss and where relevant decide on matters arising since the previous meeting of the Board of Directors which cannot await handling at the next regular meeting of the Board of Directors
- To meet with the Management of the Company as needed
- To undertake such other tasks as the Board of Directors may from time to time deem required or relevant.

As of 29 February 2012