

## **2020 Work of the 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 qualifications, independence and performance of the appointed Statutory Auditor as well as compliance with rules on non-audit services provided by the Company's Statutory Auditors.

The Committee consists of Anders Götzsche (chair), Dirk Reich and Jill Lauritzen Melby. Anders Götzsche and Dirk Reich are deemed independent. Anders Götzsche has special competences in international management, board experience and expertise in finance and accounting as well as M&A. Dirk Reich has special competences in international management, board experience and expertise in international logistics activities. Jill Lauritzen Melby has special competences in financial controlling.

There has been a total of five meetings during 2020 with full participation. The main topics dealt with apart from recurring items below were selection of new statutory audit firm and the approach to financial risk in relation to bunker.

The Company's CFO and Head of Group Finance 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 five times per year or as often as the Chairperson deems necessary.

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

The Committee reports to the Board of Directors.

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

The tasks/responsibilities of the Committee are:

- Inform the Board of the result of the statutory audit performed
- Before approval of the Annual Report and the Quarterly financial reporting oversee and report to the Board on accounting policies for significant areas, significant accounting estimates, related party transactions and uncertainty and risks
- Discuss the reporting from the Statutory Auditor with the Statutory Auditor and report such discussions to the Board
- Oversee the financial reporting processes and make recommendations or suggestions to ensure its integrity
- Oversee whether the Company's procedures for internal controls and risk management related to the financial reporting process are adequate and function efficiently
- Oversee the procedure for handling complaints reported through DFDS' whistle-blower system
- Discuss with the Statutory Auditor the Statutory Auditor's proposed audit strategy and plan
- Oversee the Statutory Audit of the financial statements, etc.
- Oversee and control the Statutory Auditor's independence as well as approve the Statutory Auditor's rendering of Non-Audit Services to the Company
- Responsible for the process of selecting and proposing the appointment of the Statutory Auditor
- Evaluate yearly the need for an Internal Audit function
- Other tasks delegated from the Board

## **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. Further, the purpose of the Remuneration Committee is to ensure that the actual executive remuneration of DFDS at all times comply with DFDS' remuneration policy as well as regulatory and corporate governance requirements.

The Committee consists of Claus V. Hemmingsen (Chair), Klaus Nyborg and Marianne Dahl Steensen. All members are deemed independent. Claus V. Hemmingsen has special competences in international management and expertise in offshore activities and shipping. Klaus Nyborg has special competences in international management and board experience from i.a. listed shipping companies and suppliers to the shipping industry and expertise in strategy, M&A and risk management. Marianne Dahl Steensen has special competences in international management and expertise within strategy, digitalization, product development and sales.

The Committee had five meetings in 2020 with full participation, focusing on the following topics:

- Revision of annual wheel of Remco
- Analysis of long-term incentive options (supported by external advice from Deloitte), leading to a change of the current LTI program from pure share options to 50/50 share options and RSU's
- Establishment of benchmarks to compare executive remuneration levels with relevant companies
- Review of Executive Board remuneration and Board fees
- Delivery of Remuneration Policy (revised 2021) and Remuneration Report (2020 – first time delivered).

The Chief People Officer makes appropriate secretarial support available for the Committee, and other subject matter experts from DFDS are included as relevant.

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 Chairperson of the Board and unless specifically agreed otherwise any consultants used shall not have acted for the executive board.

The tasks/responsibilities 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 organizational 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 Claus V. Hemmingsen (Chairperson), Klaus Nyborg and Marianne Dahl Steensen. All members are deemed independent. Claus V. Hemmingsen has special competences in international management and expertise in offshore activities and shipping. Klaus Nyborg has special competences in international management and board experience from i.a. listed shipping companies and suppliers to the shipping industry and expertise in strategy, M&A and risk management. Marianne Dahl Steensen has special competences in international management and expertise within strategy, digitalization, product development and sales.

Committee meetings are held at least twice 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/responsibilities 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 chairperson of the Board of Directors or the chairperson 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.