

4 May 2016

**Extraordinary General Meeting of DONG Energy A/S**

In accordance with Article 6 of the Articles of Association, the Board of Directors of DONG Energy A/S, company registration no. (CVR) 36 21 37 28, Municipality of Fredericia (the "Company"), hereby convenes the extraordinary general meeting of the Company to be held on

**Friday, 20 May 2016 at 9.30 a.m.**

at Hilton Copenhagen Airport, Ellehammersvej 20, DK-2770 Kastrup.

The doors open at 8.45 a.m.

The extraordinary general meeting is convened to adopt the proposals listed in the agenda below in relation to the preparation for the potential listing of the Company's shares on Nasdaq Copenhagen A/S.

The agenda is as follows:

1. Proposal from the Board of Directors for amendments to the Articles of Association of the Company.
2. Proposal from the Board of Directors for amendments to the Company's remuneration policy for the Board of Directors and Executive Board.
3. Proposal from the Board of Directors for amendments to the Company's Rules of Procedure for the Nomination Committee.
4. Proposal from the Board of Directors for authorisation to allow the Company to buy back shares of the Company.
5. Proposal from the Board of Directors for the remuneration payable to the Board of Directors for the financial year 2016.
6. Proposal from the Board of Directors for authorisation to Anders Zoëga Hansen (with full right of substitution) in respect of filing and registration of the adopted resolutions.

Below please find the proposals with accompanying comments:

**Re item 1**

As a consequence of the contemplated listing of the Company's shares on Nasdaq Copenhagen A/S, the Board of Directors proposes the Company's Articles of Association be amended in accordance with the draft Articles of Association (and redline) enclosed as appendix 1 to this notice. The amendments include a number of changes that are relevant in relation to the potential listing of the Company's shares on Nasdaq Copenhagen A/S.

It is specifically mentioned that it is proposed that clause 13.1 governing the powers to bind the Company is amended to state:

*"The Company is bound by the joint signatures of (i) the chairman of the Board of Directors and the deputy chairman, (ii) the chairman of the Board of Directors and a member of the Executive Board, (iii) the chairman of the Board of Directors and two other members of the Board of Directors, (iv) the deputy chairman of the Board of Directors and a member of the Executive Board, (v) the deputy chairman of the Board of Directors and two other members of the Board of Directors, or (vi) two members of the Executive Board."*

Further, it is, *inter alia*, proposed that the current authorisation of the Board of Directors in clause 4.6 (clause 4.4 in the draft Articles of Association) to issue bonus shares is amended as follows: (i) the authorisation to increase the share capital is reduced to up to nominally DKK 26,868,840, and (ii) it is clarified that bonus shares may be issued to an account in the name of the Company for distribution to the employees. Thus, it is proposed that the clause is amended to state:

*"4.4 At the extraordinary general meeting on 20 February 2014 the shareholders authorised the Company's Board of Directors until 19 February 2019 to increase the share capital of the Company on one or several occasions without pre-emptive rights for the existing shareholders by up to nominally DKK 26,868,840 by issuance of bonus shares to employees, including executive employees and leaders, of the Company and a number of its (directly and/or indirectly) wholly owned subsidiaries. For the avoidance of doubt, such bonus shares may be issued to an account in the name of the Company for distribution to the relevant employees, including executive employees and leaders."*

**Re item 2**

As a consequence of the contemplated listing of the Company's shares on Nasdaq Copenhagen A/S, the Board of Directors proposes the Company's remuneration policy be amended in accordance with the draft remuneration policy (and redline) enclosed as appendix 2 to this notice.

**Re item 3**

As a consequence of the contemplated listing of the Company's shares on Nasdaq Copenhagen A/S,

the Board of Directors proposes the Company's Rules of Procedure for the Nomination Committee be amended in accordance with the draft Rules of Procedure for the Nomination Committee (and redline) enclosed as appendix 3 to this notice.

**Re item 4**

The Board of Directors proposes that the Board of Directors be authorised until 19 May 2021 to allow the Company to acquire treasury shares for ownership as well as pledge up to a maximum aggregate nominal value totalling 10 % of the Company's share capital in accordance with section 198 of the Danish Companies Act. From the time that the Company's shares are listed, the purchase price per share shall be the price of the shares of the Company quoted at the time of acquisition with a deviation of up to 10 %. Prior to the listing of the Company's shares, the purchase price per share shall be either (i) the price at which shares are sold in connection with the listing of the Company's shares on Nasdaq Copenhagen A/S with a deviation of up to 10 %, or (ii) not be less than DKK 1 per share and not more than DKK 225 per share.

**Re item 5**

Following dialogue with the Ministry of Finance, and in consideration of the ownership policy of the Danish State, the Board of Directors proposes that the remuneration for the Board of Directors for the financial year 2016 be amended to the following:

Chairman of the Board of Directors	DKK	960,000
Deputy Chairman of the Board of Directors	DKK	640,000
Other members of the Board of Directors	DKK	320,000
Chairman of the Remuneration Committee	DKK	128,000
Other members of the Remuneration Committee	DKK	80,000
Chairman of the Audit and Risk Committee	DKK	192,000
Other members of the Audit and Risk Committee	DKK	96,000

No remuneration is paid to alternate members of the Board of Directors.

**Re item 6**

The Board of Directors proposes that Anders Zoëga Hansen (with full right of substitution) be authorised to file the resolutions adopted by the extraordinary general meeting with the Danish Business Authority and to make any such amendments or additions to the resolutions of the general meeting and/or the notification to be filed with the Danish Business Authority as might be requested or recommended by the Danish Business Authority or any other public authority as a condition for registration or approval.

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The following quorum and majority requirements apply to the proposals:

The proposal in item 1 may be adopted at the extraordinary general meeting if at least 2/3 of the share capital is represented at the general meeting and the proposal is approved by at least 2/3 of the votes cast as well as 2/3 of the share capital represented at the general meeting.

The proposals in items 2-6 may be adopted at the extraordinary general meeting if at least 1/2 of the share capital is represented at the general meeting and the proposals are approved by simple majority.

The agenda of the extraordinary general meeting and the full wording of the proposals to be submitted at the extraordinary general meeting are specified in this notice convening the extraordinary general meeting and will be available for inspection by the shareholders on the website of the Company, [www.dongenergy.com](http://www.dongenergy.com) and on the Shareholders' Portal, which is accessible through the Company's website [www.dongenergy.com](http://www.dongenergy.com), in the period from 4 May 2016 to 20 May 2016.

Shareholders who wish to attend the extraordinary general meeting shall apply for an admission card no later than 17 May 2016 at 11.59 p.m. via the Shareholders' Portal.

A shareholder may be represented by proxy or vote by post by using the proxy or postal vote form available on the Shareholders' Portal. The Company must receive the proxy form no later than 17 May 2016 at 11.59 p.m. or the postal vote form no later than 19 May 2016 at 11.59 p.m. via the Shareholders' Portal, which can be accessed through the Company's website [www.dongenergy.com](http://www.dongenergy.com).

Skærbæk, 4 May 2016

On behalf of the Board of Directors

Thomas Thune Andersen  
Chairman of the Board of Directors

## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S

AS LAST AMENDED ON 20 May 2016

- 1 NAME
  - 1.1 The name of the Company is DONG Energy A/S.
  - 1.2 The Company also carries on business under the secondary name Dansk Olie og Naturgas A/S.
- 2 REGISTERED OFFICE AND CORPORATE LANGUAGE
  - 2.1 The registered office of the Company is in the Municipality of Fredericia.
  - 2.2 The corporate language of the Company is English.
- 3 OBJECTS
  - 3.1 The objects of the Company are to carry on business in the energy sector and activities related thereto.
- 4 SHARE CAPITAL AND AUTHORISATIONS TO INCREASE THE SHARE CAPITAL
  - 4.1 The Company's share capital is DKK 4,177,263,730 divided into shares of DKK 10 each or multiples thereof.
  - 4.2 At the extraordinary general meeting on 20 February 2014 the shareholders authorised the Company's Board of Directors until 19 February 2019 to increase the share capital of the Company on one or several occasions without pre-emptive rights for the existing shareholders by up to nominally DKK 490,000,000 by way of conversion of debt in exchange for issuance of compensation shares to the shareholders (or their permitted assignees) that subscribed for shares in connection with the capital increase in the Company adopted on 20 February 2014. The capital increase shall take place at market price.
  - 4.3 In connection with any single or aggregate exercise of the authorisation in article 4.2 the Board of Directors shall ensure that the total number of shares and voting rights in the Company owned by the Danish State (represented by the Ministry of Finance) always shall represent more than 50 % of the total shares and voting rights of the Company following any such increase in the Company's share capital.
  - 4.4 At the extraordinary general meeting on 20 February 2014 the shareholders authorised the Company's Board of Directors until 19 February 2019 to increase the share capital of the Company on one or several occasions without pre-emptive rights for the existing shareholders by up to nominally DKK 26,868,840 by issuance of bonus shares to employees, including executive employees and leaders, of the Company and a number of its (directly and/or indirectly) wholly owned subsidiaries. For the avoidance of doubt, such bonus shares may be issued to an account in the name of the Company for distribution to the relevant employees, including executive employees and leaders.
- 4.5 The following shall apply to any increase of the share capital pursuant to articles 4.2 and 4.4: (i) the new shares shall be issued to named holders and shall be registered by name in the Company's register of shareholders, (ii) the new shares shall be negotiable instruments, (iii) no restrictions shall apply to the transferability of the new shares, (iv) the new shares shall be registered with VP Securities A/S and will thus be subject to the rules applicable to shares registered with VP Securities A/S, and (v) the new shares shall carry the same rights as the Company's existing shares, including the same pre-emptive subscription rights in connection with future capital increases as the existing shares.
- 4.6 The Board of Directors shall decide on the further conditions for effecting the capital increases pursuant to the authorisations in articles 4.2 and 4.4, including decision on when the rights attached to the new shares shall accrue. The Board of Directors is authorised to make the required amendments of the Articles of Association if the authorisations in articles 4.2 and/or 4.4 to increase the share capital are exercised.
- 5 SHARES AND REGISTER OF SHAREHOLDERS
  - 5.1 The shares of the Company shall be issued to named holders and shall be registered in the name of holder in the Company's register of shareholders.
  - 5.2 The Company's shares are negotiable instruments. No restrictions apply to the transferability of the shares.
  - 5.3 No shareholder shall be under an obligation to let its shares be redeemed in full or in part.
  - 5.4 The shares are registered with VP Securities A/S, Central Business Register (CVR) No. 21 59 93 36, and therefore the Company shall not issue any physical share certificates. All rights attaching to the shares shall be notified to VP Securities A/S in accordance with the rules applicable to shares registered with VP Securities A/S. Any dividends may be paid through transfer to the accounts designated by the shareholders in compliance with the rules of VP Securities A/S in force from time to time.
  - 5.5 The Company's register of shareholders is kept by Computershare A/S, Central Business Register (CVR) No. 27 08 88 99.
- 6 GENERAL MEETINGS, NOTICE, TIME AND PLACE
  - 6.1 The general meeting has the supreme authority in all the Company's affairs.
  - 6.2 General meetings are held as directed by the Board of Directors in the municipality of Fredericia or in the greater Copenhagen area.

## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S

- 6.3 An annual general meeting shall be held each year in due time for the audited and approved annual report to be received by the Danish Business Authority (*Erhvervsstyrelsen*) before the applicable time limit.
- 6.4 Extraordinary general meetings for the purpose of transacting specific business requested by the Board of Directors or one of the Company's auditors shall be convened within two weeks of such request. Furthermore, extraordinary general meetings for the purpose of transacting specific business shall be convened no later than two weeks after receipt of a written request submitted from a shareholder or shareholders holding at least five per cent of the share capital. The two week period shall run from the date of the Company's receipt of the shareholder's written request for the extraordinary general meeting.
- 6.5 General meetings shall be convened by the Board of Directors no later than three weeks and no earlier than five weeks prior to the general meeting by publishing a notice on the Company's website and, where requested, by e-mail to shareholders registered in the register of shareholders, see article 16.3.
- 7 AGENDA OF ANNUAL GENERAL MEETING; CHAIRMAN OF THE MEETING AND MINUTE BOOK; EXTRAORDINARY DIVIDENDS
- 7.1 No later than eight weeks before the date of the annual general meeting, the Board of Directors shall announce the scheduled date of the general meeting as well as the latest date for the submission of requests by shareholders to have specific issues included on the agenda. If a proposal for a specific agenda item is received no later than 6 weeks prior to the annual general meeting, the shareholder is entitled to have the proposed item included on the agenda for the annual general meeting in question.
- 7.2 For a continuous period of three weeks beginning no later than three weeks before the date of any general meeting (including the date of the meeting), the Company shall make the following information available to the shareholders on the Company's website:
1. The notice convening the general meeting.
  2. The aggregate number of shares and voting rights at the date of the notice.
  3. The documents to be submitted to the general meeting, including, in the case of the annual general meeting, the audited annual report.
  4. The agenda of the general meeting and the full text of any proposal to be submitted to the general meeting.
  5. Proxy and postal voting forms, if applicable, unless such forms are sent directly to the shareholders.
- 7.3 The agenda of the annual general meeting must comprise the following items:
1. A report from the Board of Directors on the activities of the Company and its subsidiaries during the past year.
  2. A presentation of the audited annual report for approval.
  3. A proposal to discharge the Board of Directors and the Executive Board from their obligations.
  4. A proposal for the appropriation of the profit or for the treatment of the loss according to the approved annual report.
  5. A proposal, if any, from the Board of Directors for authorisation to acquire treasury shares.
  6. Any other proposals from the Board of Directors or the shareholders.
  7. Election of chairman and deputy chairman of the Board of Directors, and election of other members of the Board of Directors.
  8. Determination of the remuneration of the Board of Directors for the financial year in which the general meeting is held.
  9. Appointment of auditor.
  10. Any other business.
- 7.4 General meetings are presided over by a chairman who is appointed by the Board of Directors and who ensures that the general meeting is held in a responsible and appropriate manner. The chairman decides all matters concerning the proceedings at the meeting, the voting and the results thereof.
- 7.5 Minutes of the proceedings at general meetings are recorded in a minute book signed by the chairman of the meeting and the chairman of the Board of Directors.
- 7.6 The Board of Directors is authorised to resolve to distribute extraordinary dividends. The authorisation of the Board of Directors is not limited (by an amount or otherwise) except as set out in the Danish Companies Act.
- 7.7 The general meeting has adopted a remuneration policy for the Company's Board of Directors and Executive Board. The remuneration policy is available on the Company's website.
- 8 ATTENDANCE AND VOTING RIGHTS AT GENERAL MEETINGS
- 8.1 Shareholders may attend general meetings in person or by proxy and may in both cases be accompanied by an adviser. Proxies may exercise voting rights on behalf of shareholders subject to presenting a written and dated instrument of proxy. The Company shall make a written or electronic proxy form available to all shareholders entitled to vote at general meetings.
- 8.2 Shareholders' rights to attend and vote at general meetings shall be determined on the basis of the shares held by the shareholders on the date of registration. The date of registration shall be one week before the date of the general meeting.
- 8.3 Shareholders shall notify the Company of their attendance or their proxy's attendance at any general meeting no later than three days before the date of the meeting. This requirement shall also apply to any adviser. The Company shall issue admission cards to shareholders and others entitled to attend the general meeting. The admission cards may be sent from the Company by e-mail.
- 8.4 Shareholders may vote by post. Postal votes shall reach the Company no later than 12.00 am on the last business day before the general meeting. For purposes of identification of individual shareholders exercising their right to vote by post, postal votes shall specify the shareholder's full name and security account

## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S

- number. If the shareholder is a legal person, the shareholder's Central Business Register (CVR) No. or other similar identification number shall also be clearly set out on the postal vote.
- 8.5 Within the three months immediately preceding the date of any general meeting, any shareholder may submit questions in writing to the Company's management about matters of significance to the assessment of the annual report and the general position of the Company or of significance to any proposed resolution to be submitted to the general meeting.
- 8.6 Each share amount of a nominal value of DKK 10 carries one vote.
- 8.7 Members of the press are entitled to attend general meetings.
- 9 RESOLUTIONS PASSED AT GENERAL MEETINGS, MAJORITY OF VOTES AND QUORUM
- 9.1 Resolutions at general meetings shall be passed by a simple majority of votes unless otherwise stipulated by legislation or by these Articles of Association.
- 9.2 Resolutions to amend the Articles of Association or to dissolve the Company require that at least 50 % of the share capital is represented at the general meeting and that the resolution is passed by at least two-thirds of the votes cast as well as of the share capital represented at the general meeting unless otherwise stipulated by legislation or by these Articles of Association. If the above-mentioned share capital is not represented at the general meeting in question but at least two-thirds of the votes cast as well as of the share capital represented at the general meeting have adopted the resolution, the Board of Directors shall call a new general meeting within two weeks, at which meeting the proposed resolution may be adopted by two-thirds of both the votes cast and the share capital represented, irrespective of the proportion of share capital represented. However, article 9.2 shall not apply to amendments to the Articles of Association covered by section 106(2) of the Danish Companies Act.
- 9.3 In the event that a new general meeting is called due to a lack of quorum at the first general meeting, proxies to attend the first general meeting are also valid for the second general meeting unless revoked in writing to the extent that the agenda for the second general meeting reflects the agenda of the first general meeting.
- 10 BOARD OF DIRECTORS AND BOARD OBSERVERS
- 10.1 The Board of Directors and the Executive Board are responsible for managing the Company's affairs.
- 10.2 The Company's Board of Directors consists of six to eight members elected by the shareholders at a general meeting and any additional number of members elected by the employees according to legislation. Alternates for the employee representatives are elected according to legislation. All members of the Board of Directors elected by the general meeting shall hold office until the next annual general meeting and are eligible for re-election.
- 10.3 The general meeting shall elect a chairman and a deputy chairman of the Board of Directors who shall hold office until the next annual general meeting. Members of the Executive Board cannot be elected chairman or deputy chairman.
- 10.4 All resolutions of the Board of Directors are passed by a simple majority of votes. In the event of an equality of votes, the chairman, or in his absence, the deputy chairman, has the casting vote.
- 10.5 The Board of Directors forms a quorum when a majority of its members are represented. Board members may be represented by proxy granted to another Board member or, in respect of an employee representative by an alternate, in each case as set out in the Danish Companies Act.
- 10.6 The Board of Directors adopts its own Rules of Procedure.
- 10.7 Minutes of the proceedings of the meetings of the Board of Directors are recorded in a minute book to be signed by all members of the Board of Directors attending the meeting.
- 10.8 The long-form audit report shall be submitted at each board meeting. Each entry in the long-form audit report shall be signed by all members of the Board of Directors.
- 10.9 The Board of Directors represented by its chairman may, as long as the Danish State (represented by the Ministry of Finance) is the Company's majority shareholder, disclose confidential information to the Danish State (represented by the Ministry of Finance), always provided that such disclosure is in compliance with applicable law.
- 10.10 The remuneration of the members of the Board of Directors is determined by the general meeting.
- 10.11 The Company's Board of Directors may by simple majority appoint one or more observers with right to participate and speak at meetings of the Board of Directors and at any committee thereof. An observer shall not have any voting right or count towards the quorum at any such meetings. An observer can by decision by the Board of Directors be given access to the same materials as is given to the Board of Directors or committees thereof. Observers are not entitled to remuneration and shall sign a customary confidentiality undertaking. The Board of Directors can in its rules of procedure further specify the rights and obligations of observers.
- 11 EXECUTIVE BOARD
- 11.1 The Board of Directors appoints an Executive Board consisting of one or more persons, including a chief executive officer, to manage the day-to-day operations of the Company. The terms of employment of the members of the Executive Board are determined by the Board of Directors.
- 12 NOMINATION COMMITTEE

## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S

- 12.1 Each year following the annual general meeting, a Nomination Committee shall be formed consisting of up to six members. Up to four members shall be shareholder representatives, and each of the four largest registered shareholders (subject to the next sentence) of the Company shall be entitled to appoint one member of the Nomination Committee. The Board of Directors may in its discretion require evidence that any large registered shareholder otherwise entitled to appoint one member of the Nomination Committee is the owner of the shares for which it is registered in the share register (and e.g. not a nominee), and to the extent that such evidence is not provided within the timeframe set by the Board of Directors, such shares shall be disregarded for the purposes of identifying the largest shareholders entitled to appoint a member of the Nomination Committee. Shareholdings held by several companies deemed to constitute a group pursuant to the Danish Financial Statements Act are aggregated, and only the parent company of the group is entitled to appoint one member. In addition, the Nomination Committee consists of the chairman of the Company's Board of Directors, who is also the chairman of the Nomination Committee, and the deputy chairman of the Company's Board of Directors. Other members of the Company's Board of Directors and Executive Board and employees are not eligible for election to the Nomination Committee.
- 12.2 The purpose of the Nomination Committee is to evaluate the composition of the Board of Directors and present to the general meeting recommendations for members to the Board of Directors to be elected by the shareholders in general meeting. The Nomination Committee shall ensure that all candidates for the Board of Directors satisfy the expectations of the capital markets, and that the composition of the Board of Directors complies with the corporate governance recommendations for listed companies. The recommendations of the Nomination Committee do not restrict the right of shareholders to propose candidates to the general meeting.
- 12.3 Members of the Nomination Committee are subject to a duty of confidentiality according to the same rules as those applying to members of the Company's Board of Directors. The general meeting shall lay down Rules of Procedure for the Nomination Committee concerning its composition and activities. The Company shall ensure that the Rules of Procedure of the Nomination Committee are posted on the Company's website from time to time.
- 13 POWERS TO BIND THE COMPANY
- 13.1 The Company is bound by the joint signatures of (i) the chairman of the Board of Directors and the deputy chairman, (ii) the chairman of the Board of Directors and a member of the Executive Board, (iii) the chairman of the Board of Directors and two other members of the Board of Directors, (iv) the deputy chairman of the Board of Directors and a member of the Executive Board, (v) the deputy chairman of the Board of Directors and two other members of the Board of Directors, or (vi) two members of the Executive Board.
- 14 NATURAL GAS INFRASTRUCTURE AND OIL PIPE FACILITIES
- 14.1 Any transfer of title to or imposition of liens on, or provision of any other form of security in the natural gas infrastructure and/or the oil pipe facilities listed in Appendix 1 hereto and owned by the Company or legal persons controlled by the Company may only be made to the Danish State or legal persons controlled by the Danish State.
- 14.2 Notwithstanding article 14.1, the Board of Directors may resolve to transfer the natural gas infrastructure and/or the oil pipe facilities listed in Appendix 1 to a subsidiary wholly owned by the Company. In the event that such subsidiary ceases to be wholly owned by the Company, the Board of Directors shall ensure that the natural gas infrastructure and/or the oil pipe facilities in question be transferred back to the Company or to another subsidiary wholly owned by the Company.
- 15 AUDIT AND FINANCIAL YEAR
- 15.1 The annual financial statements of the Company shall be audited by one or two state-authorized public accounting firms. Accounting firms are appointed for terms of one year. Retiring accounting firms are eligible for re-appointment.
- 15.2 The Company's financial year is the calendar year.
- 16 ELECTRONIC COMMUNICATION
- 16.1 All communication from the Company to each individual shareholder shall take place by electronic means by e-mail or through the website of the Company, [www.dongenergy.com](http://www.dongenergy.com) and general notices shall be accessible to the shareholders on the website of the Company, unless otherwise provided for by law. The Company may at any time elect in a specific instance to communicate with the shareholders by way of ordinary mail.
- 16.2 The Company may request its registered shareholders to provide an electronic address to which notices, etc. may be sent. The shareholders shall be responsible for ensuring that the Company has the correct electronic address.
- 16.3 Notice of annual and extraordinary general meetings, including the agenda, the complete proposals, annual reports, admission cards, proxy forms, postal vote forms, and subscription lists, may be sent by the Company to the shareholders via e-mail. Except for admission cards to general meetings, information and documents will also be available on the Company's website.
- 16.4 Information on the requirements for the systems used and the procedures for electronic communication will be available on the Company's website [www.dongenergy.com](http://www.dongenergy.com)

Adopted at an extraordinary general meeting on 20 May 2016



## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S

Appendix 1 to the Articles of Association of DONG Energy A/S

### Natural Gas Infrastructure and Oil Pipe Facilities

The natural gas infrastructure and the oil pipe facilities covered by article 14.1 of the Articles of Association are the following natural gas infrastructure and oil pipe facilities owned by the Company and legal persons controlled by the Company:

- (i) The natural gas distribution network in Southern Jutland and in Western and Southern Zealand (license no. ENS 66151-0002);
- (ii) The offshore pipeline from the Tyra platform to Nybro;
- (iii) The offshore pipeline from the Syd Arne platform to Nybro;
- (iv) The offshore pipeline between the Tyra platform and the Harald platform;
- (v) The gas terminal at Nybro;
- (vi) The oil pipeline facility, including booster and valve stations, crude oil terminal and other facilities for transport of crude oil and condensate from the North Sea, comprised by permission dated 30 April 1984, and the related stabilization plant for stabilization of crude oil comprised by permission dated 27 July 2011;

and all such assets and rights, including working capital, employees and contracts, as are required for the operation of the natural gas infrastructure and the oil pipe facilities and any obligations related thereto. Agreements on purchase and sale of natural gas or oil are not covered by the term "Natural Gas Infrastructure and Oil Pipe Facilities."

Any extensions to or modifications of the said natural gas infrastructure and/or oil pipe facilities are also natural gas infrastructure and oil pipe facilities covered by article 14 of the Articles of Association.

In the event that the assets, rights and obligations referred to above are spun off and separated into one or more subsidiaries wholly owned by the Company, the transfer of the natural gas infrastructure and/or the oil pipe facilities may, subject to the consent of the Danish State, be made in the form of share transfers. The Danish State will not unreasonably withhold its consent.

## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S

AS LAST AMENDED ON ~~7 August 2014~~ 20 May 2016

- 1 NAME
  - 1.1 The name of the Company is DONG Energy A/S.
  - 1.2 The Company also carries on business under the secondary name Dansk Olie og Naturgas A/S (~~DONG Energy A/S~~).
- 2 REGISTERED OFFICE AND CORPORATE LANGUAGE
  - 2.1 The registered office of the Company is in the Municipality of Fredericia.
  - 2.2 The corporate language of the Company is English in accordance with section 126(3) and (4) of the Danish Companies Act.
- 3 OBJECTS
  - 3.1 The objects of the Company are to carry on business in the energy sector and activities related thereto.
- 4 SHARE CAPITAL AND AUTHORISATIONS TO INCREASE THE SHARE CAPITAL
  - 4.1 The Company's share capital is DKK 4,177,263,730 divided into shares of DKK 10 each or multiples thereof.
  - 4.2 At the extraordinary general meeting on 20 February 2014 the shareholders authorised the Company's Board of Directors until 19 February 2019 to increase the share capital of the Company on one or several occasions without pre-emptive rights for the existing shareholders by up to nominally DKK 490,000,000 by way of conversion of debt in exchange for issuance of compensation shares to the shareholders (or their permitted assignees) that subscribed for shares in connection with the capital increase in the Company adopted on 20 February 2014. The capital increase shall take place at market price.
  - 4.3 In connection with any single or aggregate exercise of the authorisation in article 4.2 the Board of Directors shall ensure that the total number of shares and voting rights in the Company owned by the Danish State (represented by the Ministry of Finance) always shall represent more than 50% of the total shares and voting rights of the Company following any such increase in the Company's share capital.
  - 4.4 ~~At the extraordinary general meeting on 20 February 2014 the shareholders authorised the Company's Board of Directors until 31 December 2014 to increase the share capital of the Company on one or several occasions without pre-emptive rights for the existing shareholders by up to nominally DKK 19,347,560 by cash payment in exchange for issuance of shares to executive employees and leaders of the Company and a number of its (directly and/or indirectly) wholly owned subsidiaries. The capital increase shall take place at a subscription price of DKK 197.2486831 per share of a nominal value of DKK 10.~~

4.5 ~~At the extraordinary general meeting on 20 February 2014 the shareholders authorised the Company's Board of Directors until 31 December 2014 to increase the share capital of the Company on one or several occasions without pre-emptive rights for the existing shareholders by up to nominally DKK 22,131,740 by cash payment in exchange for issuance of shares to employees of the Company and a number of its (directly and/or indirectly) wholly owned subsidiaries. The capital increase shall take place at a subscription price of DKK 80.4365124 per share of a nominal value of DKK 10.~~

4.6 ~~4.4~~ At the extraordinary general meeting on 20 February 2014 the shareholders authorised the Company's Board of Directors until 19 February 2019 to increase the share capital of the Company on one or several occasions without pre-emptive rights for the existing shareholders by up to nominally DKK ~~51,849,130~~ 26,868,840 by issuance of bonus shares to employees, including executive employees and leaders, of the Company and a number of its (directly and/or indirectly) wholly owned subsidiaries. For the avoidance of doubt, such bonus shares may be issued to an account in the name of the Company for distribution to the relevant employees, including executive employees and leaders.

4.7 ~~4.5~~ The following shall apply to any increase of the share capital pursuant to articles 4.2, ~~and~~ 4.4, 4.5 and 4.6: (i) the new shares shall be issued to named holders and shall be registered by name in the Company's register of owners ~~shareholders~~, (ii) the new shares shall be negotiable instruments, (iii) no restrictions shall apply to the transferability of the new shares, (iv) the new shares shall be registered with VP Securities A/S and will thus be subject to the rules applicable to shares registered with VP Securities A/S, and (v) the new shares shall carry the same rights as the Company's existing shares, including the same pre-emptive subscription rights in connection with future capital increases as the existing shares.

4.8 ~~4.6~~ The Board of Directors shall decide on the further conditions for effecting the capital increases pursuant to the authorisations in articles 4.2, ~~and~~ 4.4, 4.5 and 4.6, including decision on when the rights attached to the new shares shall accrue. The Board of Directors is authorised to make the required amendments of the Articles of Association if the authorisations in articles 4.2, ~~and/or~~ 4.4, 4.5 and 4.6 to increase the share capital are exercised.
- 5 SHARES AND REGISTER OF OWNERS ~~SHAREHOLDERS~~
  - 5.1 The shares of the Company shall be issued to named holders and shall be registered by in the name of holder in the Company's register of owners ~~shareholders~~.
  - 5.2 The Company's shares are negotiable instruments. No restrictions apply to the transferability of the shares.

## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S

- 5.3—The Company keeps a register of owners in which any transfer of shares is registered as soon as possible after the Company has been notified of the transfer. Registration of a share by name in the register of owners is subject to the Company having received notice of the registration from VP Securities A/S. A transfer of shares is binding on the Company when registered in the register of owners. The Company has no responsibility for the authenticity and correctness of any notification to the Company of a share transfer.
- 5.4—No share confers any special rights upon its holder.
- 5.5.3 No shareholder shall be under an obligation to let its shares be redeemed in full or in part.
- 5.6.5.4 The shares are registered with VP Securities A/S and are subject to Central Business Register (CVR) No. 21 59 93 36, and therefore the Company shall not issue any physical share certificates. All rights attaching to the shares shall be notified to VP Securities A/S in accordance with the rules applicable to shares registered with VP Securities A/S. Any dividends may be paid through transfer to the accounts designated by the shareholders in compliance with the rules of VP Securities A/S in force from time to time.
- 5.7.5.5 The Company's register of owners is maintained by the capital company registered under CVR No. 27088899, shareholders is kept by Computershare A/S, Central Business Register (CVR) No. 27 08 88 99.
- 6 GENERAL MEETINGS, NOTICE, TIME AND PLACE
- 6.1 The general meeting ~~is has~~ the supreme authority of in all the Company's affairs.
- 6.2 General meetings are held as directed by the Board of Directors at the registered office of the Company or in Copenhagen, in the municipality of Fredericia or in the greater Copenhagen area.
- 6.3—If the Board of Directors finds it appropriate and if the general meeting can be held in an adequate manner, the Board of Directors may resolve to invite shareholders to participate electronically in general meetings, which are otherwise conducted by attendance in person (partly electronic general meeting). Shareholders will thereby be able to electronically attend, speak and vote at general meetings. Further information will be provided in due time on the Company's website and in the notice convening the general meetings in question, and shareholders will receive notification thereof, see article 17.
- 6.46.3 An annual general meeting shall be held each year in due time for the audited and approved annual report to be received by the Danish Business Authority by the end of April (Erhvervsstyrelsen) before the applicable time limit –
- 6.56.4 Extraordinary general meetings shall be held when required for the purpose of transacting specific business requested by the Board of Directors or one of the Company's auditors shall be convened within two weeks of such request. Furthermore, extraordinary general meetings for the purpose of transacting specific business shall be convened ~~not no~~ later than 2 two weeks after receipt of a written request submitted from a shareholder or shareholders holding at least 5 five per cent of the share capital having so requested in writing. The 2 two week period shall run from the date of the Company's receipt of the shareholder's written request for the extraordinary general meeting.
- 6.7—The notice convening the general meeting shall contain a description of all proposals to be considered by the general meeting, and in case of extraordinary general meetings, also the reason for convening the meeting. If a general meeting is conducted partly electronically, see article 6.3, the notice must also contain information as to registration for attendance and the specific requirements to the electronic systems to be used for attending a general meeting electronically. The notice shall also state that the specific details on the procedure for electronic attendance at general meetings will be available on the Company's website.
- 6.66.5 General meetings shall be convened by the Board of Directors ~~not no~~ later than 2 three weeks and ~~not no~~ earlier than 4 five weeks prior to the general meeting by ordinary mail or e-mail to all registered shareholders, see article 17.2. The notice convening the general meeting shall be published in the information system of the Danish Business Authority not later than simultaneously with notification of the shareholders, publishing a notice on the Company's website and, where requested, by e-mail to shareholders registered in the register of shareholders, see article 16.3.
- 6.8—Not later than 2 weeks before a general meeting, the agenda and complete proposals and, for the annual general meeting, also the audited annual report, shall be made available for inspection by the shareholders.
- 7 AGENDA OF ANNUAL GENERAL MEETINGS MEETING; CHAIRMAN OF THE MEETING AND MINUTE BOOK; EXTRAORDINARY DIVIDENDS; GUIDELINES FOR INCENTIVE BASED COMPENSATION
- 7.1 Any shareholder is entitled to have specific business transacted at 7.1 No later than eight weeks before the date of the annual general meeting. In order to be presented to the general meeting, proposed items must be submitted in writing to the Board of Directors in due time for the proposal to be included in the notice convening the general meeting. If a proposal is received not the Board of Directors shall announce the scheduled date of the general meeting as well as the latest date for the submission of requests by shareholders to have specific issues included on the agenda. If a proposal for a specific agenda item is received no later than 6 weeks prior to the annual general meeting, the shareholder is entitled to have the proposed item included in on the agenda for the annual general meeting in question.
- 7.2 For a continuous period of three weeks beginning no later than three weeks before the date of any general meeting (including the date of the meeting), the Company shall make the following information available to the shareholders on the Company's website:
1. The notice convening the general meeting.
  2. The aggregate number of shares and voting rights at the date of the notice.



## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S

~~at the general meeting, the Board of Directors shall convene a new general meeting within eight days which will form a quorum irrespective of the proportion of share capital represented.~~

9.2 Resolutions to amend the Articles of Association or to dissolve the Company require that at least ~~two-thirds~~ 50% of the share capital is represented at the general meeting and that the resolution is passed by at least two-thirds of the votes cast as well as of the share capital represented at the general meeting unless otherwise stipulated by legislation or by these Articles of Association. If the above-mentioned share capital is not represented at the general meeting in question but at least two-thirds of the votes cast as well as of the share capital represented at the general meeting have adopted the resolution, the Board of Directors shall call a new general meeting within ~~2~~ two weeks, at which meeting the proposed resolution may be adopted by two-thirds of both the votes cast and the share capital represented, irrespective of the proportion of share capital represented. However, article 9.2 shall not apply to amendments to the Articles of Association covered by section 106(2) of the Danish Companies Act.

9.3 In the event that a new general meeting is called due to a lack of quorum at the first general meeting, proxies to attend the first general meeting are also valid for the second general meeting unless revoked in writing to the extent that the agenda for the second general meeting reflects the agenda of the first general meeting.

### 10 BOARD OF DIRECTORS AND BOARD OBSERVERS

10.1 The Board of Directors and the Executive Board are responsible for managing the Company's affairs.

10.2 The Company's Board of Directors consists of six to eight members elected by the shareholders ~~in at a general meeting and the any~~ additional number of members elected by the employees according to legislation. Alternates for the employee representatives are elected according to legislation. All members of the Board of Directors elected by the shareholders ~~in general meeting shall retire at each year's hold office until the next annual general meeting and are eligible for re-election.~~

10.3 The shareholders ~~in general meeting shall elect a chairman and a deputy chairman of the Board of Directors for terms of one year who shall hold office until the next annual general meeting.~~ Members of the Executive Board may ~~not~~ cannot be elected chairman or deputy chairman.

~~10.4 In connection with the shareholders' election of members of the Board of Directors, efforts shall be made to ensure that the necessary professional know-how concerning the Company's principal business activities in the field of energy is represented on the Board of Directors and that the Board of Directors as a whole possesses the knowledge and experience required for the board work in respect of social, business and cultural matters in the markets in which the principal business activities are conducted.~~

~~10.5~~ 10.4 All resolutions of the Board of Directors are passed by a simple majority of votes. In the event of an equality of votes,

the chairman, or in his absence, the deputy chairman, has the casting vote.

~~10.6~~ 10.5 The Board of Directors forms a quorum when a majority of its members are represented. ~~In exceptional cases, Board members may be represented by proxy granted to another Board member if this is adequate in view of the issues to be discussed or, in respect of an employee representatives, representative by an alternate, in each case as set out in the Danish Companies Act.~~

~~10.7~~ 10.6 The Board of Directors adopts its own Rules of Procedure.

~~10.8~~ 10.7 Minutes of the proceedings of the meetings of the Board of Directors are recorded in a minute book to be signed by all members of the Board of Directors attending the meeting.

~~10.9 The auditors' records~~ 10.8 The long-form audit report shall be submitted at each board meeting. Each entry in the auditor's records long-form audit report shall be signed by all members of the Board of Directors.

~~10.10 The members of the Board of Directors are subject to a duty of confidentiality in accordance with applicable legislation. Only the chairman of the Board of Directors, or a person so authorised by him in specific cases, is permitted to make public statements concerning the affairs of the Company on behalf of the Board of Directors.~~

~~10.11~~ 10.9 The Board of Directors represented by its chairman may, as long as the Kingdom of Denmark Danish State (represented by the Ministry of Finance) is the Company's majority shareholder, disclose confidential information to the minister representing the Kingdom of Denmark as shareholder Danish State (represented by the Ministry of Finance), always provided that such disclosure is in compliance with legislation and in the interests of the Company applicable law.

~~10.12~~ 10.10 The remuneration of the members of the Board of Directors is determined by the shareholders ~~in general meeting.~~

~~10.13~~ 10.11 The Company's Board of Directors may by simple majority appoint one or more observers with right to participate and speak at meetings of the Board of Directors and at any committee thereof. An observer shall not have any voting right or count towards the quorum at any such meetings. An observer can by decision by the Board of Directors be given access to the same materials as is given to the Board of Directors or committees thereof. Observers are not entitled to remuneration and shall sign a customary confidentiality undertaking. The Board of Directors can in its rules of procedure further specify the rights and obligations of observers.

### 11 EXECUTIVE BOARD

11.1 The Board of Directors appoints an Executive Board consisting of one or more persons, including a chief executive officer, to manage the day-to-day operations of the Company. The terms of employment of the members of the Executive Board are

## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S

determined by the Board of Directors. ~~The Board of Directors may grant powers of procurator.~~

### 12 NOMINATION COMMITTEE

12.1 Each year following the annual general meeting, a Nomination Committee shall be formed consisting of up to six members. Up to four members shall be shareholder representatives, and each of the four largest registered shareholders (subject to the next sentence) of the Company shall be entitled to appoint one member of the Nomination Committee. The Board of Directors may in its discretion require evidence that any large registered shareholder otherwise entitled to appoint one member of the Nomination Committee is the owner of the shares for which it is registered in the share register (and e.g. not a nominee), and to the extent that such evidence is not provided within the timeframe set by the Board of Directors, such shares shall be disregarded for the purposes of identifying the largest shareholders entitled to appoint a member of the Nomination Committee. Shareholdings held by several companies deemed to constitute a group pursuant to the Danish Financial Statements Act are aggregated, and only the parent company of the group is entitled to appoint one member. In addition, the Nomination Committee consists of the chairman of the Company's Board of Directors, who is also the chairman of the Nomination Committee, and the deputy chairman of the Company's Board of Directors. Other members of the Company's Board of Directors and Executive Board and employees are not eligible for election to the Nomination Committee.

12.2 The purpose of the Nomination Committee is to evaluate the composition of the Board of Directors and present to the general meeting recommendations for members to the Board of Directors to be elected by the shareholders in general meeting. The Nomination Committee shall ensure that all candidates for the Board of Directors satisfy the expectations of the capital markets, and that the composition of the Board of Directors complies with the corporate governance recommendations for listed companies. The recommendations of the Nomination Committee do not restrict the right of shareholders to propose candidates to the general meeting.

12.3 Members of the Nomination Committee are subject to a duty of confidentiality according to the same rules as those applying to members of the Company's Board of Directors. The general meeting shall lay down Rules of Procedure for the Nomination Committee concerning its composition and activities. The Company shall ensure that the Rules of Procedure of the Nomination Committee are posted on the Company's website from time to time.

### 13 POWERS TO BIND THE COMPANY

13.1 The Company ~~shall be~~ is bound in legal transactions by the joint signatures of (i) the chairman of the Board of Directors and the deputy chairman, (ii) the chairman of the Board of Directors or and a member of the Executive Board registered with the Danish Business Authority or by the joint signatures of, (iii) the chairman of the Board of Directors or and two other members of the Board of Directors, (iv) the deputy chairman of the Board of Directors and two a member of the Executive Board, (v) the deputy chairman

of the Board of Directors and two other members of the Board of Directors, or (vi) two members of the Executive Board.

### 14 NATURAL GAS INFRASTRUCTURE AND OIL PIPE FACILITIES

14.1 Any transfer of title to or imposition of liens on, or provision of any other form of security in the natural gas infrastructure and/or the oil pipe facilities listed in Appendix 1 hereto and owned by the Company or legal persons controlled by the Company may only be made to the ~~Kingdom of Denmark~~ Danish State or legal persons controlled by the ~~Kingdom of Denmark~~ Danish State.

14.2 Notwithstanding article 14.1, the Board of Directors may resolve to transfer the natural gas infrastructure and/or the oil pipe facilities listed in Appendix 1 to a subsidiary wholly owned by the Company. In the event that such subsidiary ceases to be wholly owned by the Company, the Board of Directors shall ensure that the natural gas infrastructure and/or the oil pipe facilities in question be transferred back to the Company or to another subsidiary wholly owned by the Company.

### 15 AUDIT AND FINANCIAL YEAR

15.1 The annual financial statements of the Company shall be audited by one or two auditors, at least one of whom shall be a state-authorised public ~~accountant~~ accounting firms. Auditors Accounting firms are appointed for terms of one year. Retiring auditors accounting firms are eligible for re-appointment.

~~15.2 The auditors' fees are determined by the Board of Directors.~~

### ~~16~~ FINANCIAL YEAR AND ANNUAL REPORT

~~16.1~~ 15.2 The Company's financial year is the calendar year.

~~16.2 The annual report shall be prepared with due consideration to existing assets and liabilities, and including the depreciation and amortisation deemed necessary by the Board of Directors.~~

~~16.3 Prior to any other application, profits shall be set off against any untreated losses from prior years.~~

~~16.4 The shareholders in general meeting shall adopt a resolution as to the application of any balance remaining. The Board of Directors shall make a recommendation as to the application of any balance remaining.~~

### ~~17~~ 16 ELECTRONIC COMMUNICATION

~~17.1 The Company may apply electronic document exchange and electronic mail, as set out in detail below, in its communication with shareholders.~~

~~17.2 The Company may forward notices convening annual and extraordinary general meetings via e-mail to its shareholders containing reference to the Company's web-based Shareholders' Portal where the shareholders can find agendas, complete proposals for amendments to the Articles of Association, proxy forms, voting by post forms, annual reports, interim financial reports, minutes of general meetings as well as any other general information provided by the Company to its shareholders.~~

## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S

~~Admission cards may be forwarded via e-mail to the shareholders from the Company, see article 8.2.~~

16.1 All communication from the Company to each individual shareholder shall take place by electronic means by e-mail or through the website of the Company, [www.dongenergy.com](http://www.dongenergy.com) and general notices shall be accessible to the shareholders on the website of the Company, unless otherwise provided for by law. The Company may at any time elect in a specific instance to communicate with the shareholders by way of ordinary mail.

16.2 The Company may request its registered shareholders to provide an electronic address to which notices, etc. may be sent. The shareholders shall be responsible for ensuring that the Company has the correct electronic address.

16.3 Notice of annual and extraordinary general meetings, including the agenda, the complete proposals, annual reports, admission cards, proxy forms, postal vote forms, and subscription lists, may be sent by the Company to the shareholders via e-mail. Except for admission cards to general meetings, information and documents will also be available on the Company's website.

~~17.3 The documents listed above, except for admission cards for general meetings, are also posted on the Company's website which shall also include information~~ 16.4 Information on the requirements for the systems used and on the procedure in connection with the procedures for electronic communication will be available on the Company's website [www.dongenergy.com](http://www.dongenergy.com)

~~Adopted at an extraordinary general meeting on 7 August 2014~~ Adopted at an extraordinary general meeting on 7 August 2014  
2016

## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S

### Appendix 1 to the Articles of Association of DONG Energy A/S

#### Natural Gas Infrastructure and Oil Pipe Facilities

The natural gas infrastructure and the oil pipe facilities covered by article 14.1 of the Articles of Association ~~is~~ are the following natural gas infrastructure and oil pipe facilities owned by the Company and legal persons controlled by the Company:

- (i) The natural gas distribution network in Southern Jutland and in Western and Southern Zealand (license no. ENS 66151-0002);
- (ii) The offshore pipeline from the Tyra platform to Nybro;
- (iii) The offshore pipeline from the Syd Arne platform to Nybro;
- (iv) The offshore pipeline between the Tyra platform and the Harald platform;
- (v) The gas terminal at Nybro;
- (vi) The oil pipeline facility, including booster and valve stations, crude oil terminal and other facilities for transport of crude oil and condensate from the North Sea, comprised by permission dated 30 April 1984, and the related stabilization plant for stabilization of crude oil comprised by permission dated 27 July 2011.
- (vi) The natural gas storage facility at Stenlille (license no. ENS 66153-0001).

and all such assets and rights, including working capital, employees and contracts, as are required for the operation of the natural gas infrastructure and the oil pipe facilities and any obligations related thereto. Agreements on purchase and sale of natural gas or oil are not covered by the term "Natural Gas Infrastructure and Oil Pipe Facilities."

Any extensions to or modifications of the said natural gas infrastructure and/or oil pipe facilities are also natural gas infrastructure and oil pipe facilities covered by article 14 of the Articles of Association.

In the event that the assets, rights and obligations referred to above are spun off and separated into one or more subsidiaries wholly owned by the Company, the transfer of the natural gas infrastructure and/or the oil pipe facilities may, subject to the consent of the Kingdom of Denmark Danish State, be made in the form of share transfers. The Kingdom of Denmark Danish State will not unreasonably withhold its consent.



Comparison Details	
Title	pdfDocs compareDocs Comparison Results
Date & Time	02-05-2016 11:12:11
Comparison Time	1,47 seconds
compareDocs version	v4.1.505.8

Sources	
Original Document	C:\Users\ckd\AppData\Local\Temp\DMSforLegal.Office\20160502\{E40EDB09-32D0-482A-9BE8-A7C813801D86}\Articles of Association - DONG Energy A S (UK) 1.0.docx
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Insertions	78
Deletions	50
Changes	85
Moves	0
TOTAL CHANGES	213

Word Rendering Set Markup Options	
Name	Standard
<u>Insertions</u>	
<u>Deletions</u>	
<u>Moves / Moves</u>	
Inserted cells	
Deleted cells	
Merged cells	
Formatting	Color only.
Changed lines	Mark left border.
Comments color	By Author.
Balloons	False

compareDocs Settings Used	Category	Option Selected
Open Comparison Report after Saving	General	Always
Report Type	Word	Track Changes
Character Level	Word	False
Include Headers / Footers	Word	True
Include Footnotes / Endnotes	Word	True
Include List Numbers	Word	True
Include Tables	Word	True
Include Field Codes	Word	True
Include Moves	Word	False
Show Track Changes Toolbar	Word	True
Show Reviewing Pane	Word	True
Update Automatic Links at Open	Word	False
Summary Report	Word	End
Include Change Detail Report	Word	Separate
Document View	Word	Print
Remove Personal Information	Word	False
Flatten Field Codes	Word	True

## **Appendix 2 to the notice to the general meeting on 20 May 2016**

### **REMUNERATION POLICY FOR THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD OF DONG ENERGY A/S**

#### **1. Purpose and remuneration principles**

This remuneration policy describes the principles for payment of remuneration to the Board of Directors and the Executive Board. The Executive Board means the executive officers registered with the Danish Business Authority as Executive Officers of the Company.

The overall objective of this remuneration policy is to attract, motivate and retain qualified members of the Board of Directors and the Executive Board and to align the interests of the Board of Directors and the Executive Board with the interests of the shareholders.

Furthermore, the purpose of this remuneration policy is to fulfil the requirement of section 139 of the Danish Companies Act that a listed company must define general guidelines for the company's incentive pay to its board of directors and executive board prior to entering into any specific agreements in this respect with individual members of the board of directors or the executive board.

#### **2. The Board of Directors**

##### **2.1 General comments**

The remuneration for the Board of Directors for each financial year is to be approved at the Annual General Meeting each year under a separate item on the agenda. The proposal for remuneration of the Board of Directors must be included in the notice convening the Annual General Meeting.

The remuneration for the Board of Directors should be competitive, but not market-leading, compared to the remuneration paid in other major Danish listed companies with international activities.

##### **2.2 Fixed annual remuneration**

Each member of the Board of Directors will receive a fixed annual fee, while the Chairmanship will receive a multiple thereof. The Chairman of the Board of Directors will receive 3 times the

fixed annual fee. The Deputy Chairman of the Board of Directors will receive 2 times the fixed annual fee.

Each member of the Audit and Risk Committee will receive an additional annual fee for being a member of the Audit and Risk Committee. For ordinary members of the Audit and Risk Committee the additional annual fee will amount to 0.3 times the fixed annual fee. For the Chairman of Audit and Risk Committee the additional annual fee will amount to 0.6 times the fixed annual fee.

Each member of the Remuneration Committee will receive an additional annual fee for being a member of the Remuneration Committee. For ordinary members of the Remuneration Committee the additional annual fee will amount to 0.25 times the fixed annual fee. For the Chairman of Remuneration Committee the additional annual fee will amount to 0.40 times the fixed annual fee.

### **2.3 Incentive-based remuneration**

The remuneration of the Board of Directors does not include any incentive-based remuneration. However, employee-elected members of the Board of Directors may due to their employment be covered by general incentive schemes applicable to employees of the Group.

## **3. The Executive Board**

### **3.1 General comments**

The Remuneration Committee of the Board of Directors will make proposals for remuneration of the Executive Board, which will be subject to approval by the Board of Directors.

The remuneration level should be competitive, but not market-leading, compared to the remuneration level in similar major Danish listed companies with international activities.

The remuneration serves the purpose of ensuring an appropriate balance between (i) fixed remuneration and (ii) incentive-based remuneration, which in turn aims at rewarding the creation of value as well as the performance of the individual member of the Executive Board.

The remuneration consists of (i) a fixed annual remuneration, (ii) cash-based incentive schemes, (iii) a long-term share-based incentive scheme and (iv) other benefits in kind.

The members of the Executive Board will receive no remuneration for executive board positions or directorships held in the Company's subsidiaries or associated companies.

The individual remuneration components are described in further detail below.

## **3.2 Incentive schemes**

### **3.2.1 Cash-based incentive schemes**

#### **3.2.1.1 Short-term incentive scheme**

The short-term incentive scheme for the Executive Board is a variable cash-based incentive scheme with a term of 12 months ("STI"). The STI will be assessed, paid and renewed on an annual basis.

The performance targets of the STI consist of 2 different elements: (i) the Company's creation of value and (ii) the performance of the individual member of the Executive Board within strategic areas of responsibility and/or specific projects.

The payment under the STI is subject to the full or partial achievement of the above-mentioned performance targets. The Remuneration Committee of the Board of Directors sets the performance targets for and determines the performance of the Chief Executive Officer, while the Chairman of the Board of Directors and the Chief Executive Officer set the performance targets for and determine the performance of the other members of the Executive Board.

The target bonus under the STI amounts to 15% of the fixed annual remuneration of each individual member of the Executive Board whereas the maximum bonus amounts to 30% of the fixed annual remuneration of each individual member of the Executive Board. Maximum bonus will be paid in case of full achievement of all performance targets.

#### **3.2.1.2 IPO Executive Retention Bonus**

In connection with the envisaged Initial Public Offering, the Company will introduce a one-off IPO Executive Retention Bonus. Members of the Executive Board may be granted an IPO Retention Bonus, which will be paid out in two instalments, each corresponding to 20% of the relevant member's annual fixed remuneration. The first instalment will be paid after 14 months in 2017, and the second instalment will be paid after 26 months in 2018.

Payment of each instalment of the retention bonus will be conditional upon continued employment. If a member of the Executive Board leaves the Company as a bad leaver, he/she will forfeit his/her right to upcoming instalments.

### **3.2.1.3 Other cash-based incentive schemes**

At the discretion of the Board of Directors, the individual member of the Executive Board may in very extraordinary circumstances be eligible for further cash variable pay schemes of up to an additional 20% of his/her fixed annual remuneration. Such cash variable pay schemes will be tied to specific performance targets.

### **3.2.2 Share-based incentive scheme**

In connection with the envisaged Initial Public Offering of the Company, a new share programme (the "DSP") will be established covering also members of the Executive Board.

Under the DSP, each member of the Executive Board will have the opportunity to be granted restricted performance share units ("PSUs") each year.

It is a requirement for participating in the DSP that each member of the Executive Board holds a certain minimum amount of shares in the Company at the time of each grant. The Chief Executive Officer must hold shares with a value equal to 75% of the Chief Executive Officer's annual fixed remuneration, and the Chief Financial Officer must hold shares with a value equal to 50% of the Chief Financial Officer's annual fixed remuneration. The shares are subject to lock-up.

The members of the Executive Board do not have to fulfil the shareholding requirement at the time of the first and the second grants but will be offered the opportunity to invest over two years. The members of the Executive Board can fulfil the shareholding requirement by using shares already held by them or by buying new shares in the market.

The shareholding requirement will be assessed once every year. In case the shareholding is below the shareholding requirement, the relevant member of the Executive Board must add shares acquired in the market in order to be eligible for new PSU grants, and in case the shareholding is above the shareholding requirement, the surplus shares will be released from the lock-up and may be sold by the relevant member of the Executive Board. Shares fulfilling the shareholding requirement will be subject to lock-up in the following year and then the shareholding requirement will be assessed again.

Conditional upon fulfilment of the shareholding requirement at the time of the grant of the PSUs, each individual member of the Executive Board will each year be granted a target number of PSUs representing a value of 20 % of the individual member's annual fixed remuneration at the time of the grant. Each PSU will represent a right to receive one share upon vesting. The PSUs will be granted free of charge.

In case of any dividend payments from the Company before the granted PSUs have vested, each individual member of the Executive Board will be granted a number of PSUs ("Dividend PSUs") to compensate for such dividend payments. Dividend PSUs will be granted on the basis of the total number of PSUs held by each individual member of the Executive Board (including already granted Dividend PSUs). The Dividend PSUs will vest at the same time as the PSUs that they relate to

The PSUs granted will vest after 3 years, although the first grant under the DSP is expected to vest after 2 years and approximately 7 months. The final number of PSUs that can be exercised by each member of the Executive Board upon vesting will be determined based on the financial performance of the Company compared to a number of European energy companies. The exercise rate will vary from 0% to maximum 200% of the target number of PSUs granted, which means that the maximum value of the grant (excluding share price developments) will be 40% of the individual member's annual fixed remuneration at the time of the grant.

Upon vesting, the Company will deliver shares to the members of the Executive Board. The shares will be delivered free of charge. The Company reserves the right to settle in cash instead.

Vesting of PSUs will be conditional upon continued employment of the relevant member of the Executive Board at the time of vesting. If a member of the Executive Board leaves the Company as a bad leaver before the time of vesting, such member will forfeit his/her right to PSUs that have not vested at the termination date. If a member of the Executive Board leaves the Company as a good leaver before the time of vesting, such member will keep his/her right to PSUs already granted, which will vest in accordance with the programme.

### **3.3 Pension**

The members of the Executive Board are not entitled to any pension contributions in addition to the fixed annual remuneration. The members of the Executive Board have the option of participating in the Company's employer-operated pension scheme, which has been set up as a defined contribution scheme.

### **3.4 Staff benefits/personal benefits**

A number of work-related benefits are available to the members of the Executive Board, including company car, free telephone, domestic broadband access and relevant business magazines. Moreover, the members of the Executive Board are covered by the Company's insurance schemes.

Dependants of the Chief Executive Officer, defined as cohabiting spouse/cohabitant registered at the same address of registered residence, alternatively children under the age of 25, are furthermore guaranteed 12 months' post-service salary in aggregate in the event that the Chief Executive Officer dies during his/her employment.

### **3.5 Termination**

The Company is entitled to terminate the employment of a member of the Executive Board on 12 months' notice. Each member of the Executive Board is entitled to terminate his/her employment with the Company on 6 months' notice.

### **3.6 Severance pay**

The service agreements of members of the Executive Board include a severance pay scheme providing payment of an amount equal to 12 months' fixed remuneration in the event of dismissal by the Company without breach of contract by the relevant member of the Executive Board.

## **4. Expenses**

Expenses, for example for travelling and accommodation in connection with meetings, will be reimbursed upon submission of valid receipts only.

## **5. Disclosure of the remuneration policy**

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 elements of retention and retirement/resignation schemes, will be disclosed in the Company's annual report.

Approved at the extraordinary general meeting of the Company on 20 May 2016, subject to the Company completing the listing of its shares on Nasdaq Copenhagen no later than 31 March 2017.

**~~DONG Energy A/S' remuneration policy for the Board of Directors and Executive Board~~**

~~DONG Energy A/S' remuneration policy for the Board of Directors includes only fixed remuneration whereas for the members of the Executive Board registered with the Danish Business Authority, the remuneration policy covers both fixed and incentive-based remuneration. The purpose is to ensure that common interests between the Company's shareholders and the Company's decision-makers, defined as the Board of Directors and the Executive Board. Moreover, a competitive remuneration for the Board of Directors and the Executive Board is sought in order to maintain the Boards and to attract qualified candidates when this may become relevant.~~

**Appendix 2 to the notice to the general meeting on 20 May 2016**

**REMUNERATION POLICY FOR THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD OF DONG ENERGY A/S**

**1. Purpose and remuneration principles**

This remuneration policy describes the principles for payment of remuneration to the Board of Directors and the Executive Board. The Executive Board means the executive officers registered with the Danish Business Authority as Executive Officers of the Company.

The overall objective of this remuneration policy is to attract, motivate and retain qualified members of the Board of Directors and the Executive Board and to align the interests of the Board of Directors and the Executive Board with the interests of the shareholders.

Furthermore, the purpose of this remuneration policy is to fulfil the requirement of section 139 of the Danish Companies Act that a listed company must define general guidelines for the company's incentive pay to its board of directors and executive board prior to entering into any specific agreements in this respect with individual members of the board of directors or the executive board.

**2. Members of the The Board of Directors**

~~The remuneration for the Board of Directors should be competitive compared to the remuneration paid in other major Danish enterprises with international activities, but in such~~



manner that DONG Energy A/S does not appear as market leader when it comes to remuneration.

### **2.1 General comments**

The remuneration for the Board of Directors for the coming ~~each~~ financial year is to be approved at the Annual General Meeting each year under a separate item on the agenda. The proposal for ~~the~~ remuneration of the Board of Directors for the coming financial year is must be included in the notice convening the Annual General Meeting.

The remuneration for the Board of Directors should be competitive, but not market-leading, compared to the remuneration paid in other major Danish listed companies with international activities.

### **2.2 Fixed annual remuneration**

Each member of the Board of Directors is ~~to~~ will receive a fixed annual remuneration ~~and the remuneration for the Chairman and fee, while the Chairmanship will receive a multiple thereof.~~ The Chairman of the Board of Directors will receive 3 times the fixed annual fee. The Deputy Chairman of the Board of Directors is to reflect their extended tasks on the Board of Directors. will receive 2 times the fixed annual fee.

Each member of the Audit and Risk Committee will receive an additional annual fee for being a member of the Audit and Risk Committee. For ordinary members of the Audit and Risk Committee the additional annual fee will amount to 0.3 times the fixed annual fee. For the Chairman of Audit and Risk Committee the additional annual fee will amount to 0.6 times the fixed annual fee.

Each member of the Remuneration Committee will receive an additional annual fee for being a member of the Remuneration Committee. For ordinary members of the Remuneration Committee the additional annual fee will amount to 0.25 times the fixed annual fee. For the Chairman of Remuneration Committee the additional annual fee will amount to 0.40 times the fixed annual fee.

### **2.3 Incentive-based remuneration**

The remuneration of the Board of Directors does not include any incentive-based remuneration. However, employee-elected members of the Board of Directors may due to their employment be covered by general incentive schemes applicable to employees of the Group.

~~Services performed on the Audit and Risk Committee and on the Remuneration Committee of the Board of Directors entitle the Committee members to additional pay in such manner that the remuneration for the chairman of each Committee reflects his extended tasks. Expenses, for example for travelling and accommodation in connection with Board meetings, are reimbursed according to vouchers submitted.~~

~~Share options, warrants, shares at a discount or other incentive schemes shall not be offered to the members of the Board of Directors. However, due to their employment relationship, members of the Board of Directors elected by the employees may be comprised by general share-based incentive schemes applying to employees of the DONG Energy A/S group.~~

### **3. Members of the The Executive Board**

#### **3.1 General comments**

~~The Remuneration Committee of the Board of Directors makes will make proposals for remuneration for of the Executive Board which is subsequently to be approved by all members of which will be subject to approval by the Board of Directors. At present the Executive Board consists of the Company's Group Chief Executive Officer and the Group Chief Financial Officer.~~

~~The remuneration level should be competitive, but not market-leading, compared to the remuneration level in similar major Danish listed companies with international activities, but in such manner that DONG Energy A/S does not appear as market leader when it comes to remuneration.~~

~~The remuneration serves the purpose of ensuring an appropriate balance between (i) fixed remuneration and (ii) incentive-based remuneration, which in turn aims at rewarding the creation of value as well as the performance of the individual member of the Executive Board.~~

~~The remuneration consists of (i) a fixed annual remuneration, (ii) cash-based incentive schemes, (iii) a long-term share-based incentive scheme and (iv) other benefits in kind.~~

~~The members of the Executive Board will receive no remuneration for executive board positions or directorships held in the Company's subsidiaries or associated companies.~~

~~The remuneration consists of a fixed basic pay, a variable pay in cash following the Company's financial year, a share-based incentive scheme and other benefits in kind. Pension scheme contributions are included in the fixed basic pay of the Executive Board members. The~~

remuneration package serves the purpose of ensuring an appropriate balance between fixed remuneration on the one hand and a variable pay in cash and a share-based incentive scheme focusing on the creation of financial value and the performance of the individual Executive Board member on the other hand. The individual remuneration components are described in further detail below.

The Executive Board members shall receive no fee for directorships held in DONG Energy A/S' subsidiaries and associated companies.

#### *Fixed basic pay*

The total fixed basic pay inclusive of pension scheme contributions for an Executive Board member amounts to between 77 % and 100 % of the total remuneration, depending on the extent of pay received under the cash variable pay scheme (exclusive, however, of any value under the share-based incentive scheme). Furthermore, personal work-related benefits must be added.

### 3.2 Incentive programme – cash variable pay schemes

#### 3.2.1 Cash-based incentive schemes

##### 3.2.1.1 Short-term incentive scheme

The cash variable pay The short-term incentive scheme for the Executive Board is a variable pay cash-based incentive scheme with a term of 12 months ("STI"). The scheme is STI will be assessed, paid and renewed on an annual basis.

The performance targets of the cash variable pay scheme STI consist of 2 different elements, ; (i) DONG Energy A/S' the Company's creation of financial value and (ii) the performance of the individual member of the Executive Board member within strategic areas of responsibility and/or specific projects.

The payment of under the cash variable remuneration STI is subject to the full or partial achievement of set the above-mentioned performance targets. The Remuneration Committee of the Board of Directors sets the performance targets for and determines the performance of the Chief Executive Officer, whereas while the Chairman of the Board of Directors and the Chief Executive Officer set the performance targets for and determines determine the performance of the other members of the Executive Board.

~~Full~~ The target bonus under the STI amounts to 15% of the fixed annual remuneration of each individual member of the Executive Board whereas the maximum bonus amounts to 30% of the fixed annual remuneration of each individual member of the Executive Board. Maximum bonus will be paid in case of full achievement of all performance targets will entitle the individual Executive Board member to an annual cash variable pay of a maximum of 30 % of his fixed annual salary.

### 3.2.1.2 IPO Executive Retention Bonus

In connection with the envisaged Initial Public Offering, the Company will introduce a one-off IPO Executive Retention Bonus. Members of the Executive Board may be granted an IPO Retention Bonus, which will be paid out in two instalments, each corresponding to 20% of the relevant member's annual fixed remuneration. The first instalment will be paid after 14 months in 2017, and the second instalment will be paid after 26 months in 2018.

Payment of each instalment of the retention bonus will be conditional upon continued employment. If a member of the Executive Board leaves the Company as a bad leaver, he/she will forfeit his/her right to upcoming instalments.

### 3.2.1.3 Other cash-based incentive schemes

At the discretion of the Board of Directors, the individual member of the Executive Board member may in very extraordinary circumstances be eligible for further cash variable pay schemes of up to an additional 20-% of his/her fixed annual salary/remuneration. Such cash variable pay schemes will be tied to specific performance targets.

*Incentive programme – shares*

### 3.2.2 Share-based incentive scheme

In connection with the envisaged ~~capital increase in DONG Energy A/S in February 2014, a share-based incentive programme~~ Initial Public Offering of the Company, a new share programme (the "DSP") will be established ~~which covering also includes the registered members of the Executive Board.~~

Under the ~~share-based scheme~~ DSP, each member of the Executive Board will ~~within the first six months of 2014~~ be entitled to subscribe for shares in DONG Energy A/S at the price of DKK 107,2486831 per share of nominally DKK 10. Each member of the Executive Board may subscribe for shares for a maximum amount that is equivalent to the fixed annual basic salary of the individual member

in question, have the opportunity to be granted restricted performance share units ("PSUs") each year.

It is a requirement for participating in the DSP that each member of the Executive Board holds a certain minimum amount of shares in the Company at the time of each grant. The Chief Executive Officer must hold shares with a value equal to 75% of the Chief Executive Officer's annual fixed remuneration, and the Chief Financial Officer must hold shares with a value equal to 50% of the Chief Financial Officer's annual fixed remuneration. The shares are subject to lock-up.

The members of the Executive Board do not have to fulfil the shareholding requirement at the time of the first and the second grants but will be offered the opportunity to invest over two years. The members of the Executive Board can fulfil the shareholding requirement by using shares already held by them or by buying new shares in the market.

The shareholding requirement will be assessed once every year. In case the shareholding is below the shareholding requirement, the relevant member of the Executive Board must add shares acquired in the market in order to be eligible for new PSU grants, and in case the shareholding is above the shareholding requirement, the surplus shares will be released from the lock-up and may be sold by the relevant member of the Executive Board. Shares fulfilling the shareholding requirement will be subject to lock-up in the following year and then the shareholding requirement will be assessed again.

Conditional upon fulfilment of the shareholding requirement at the time of the grant of the PSUs, each individual member of the Executive Board will each year be granted a target number of PSUs representing a value of 20 % of the individual member's annual fixed remuneration at the time of the grant. Each PSU will represent a right to receive one share upon vesting. The PSUs will be granted free of charge.

In case of any dividend payments from the Company before the granted PSUs have vested, each individual member of the Executive Board will be granted a number of PSUs ("Dividend PSUs") to compensate for such dividend payments. Dividend PSUs will be granted on the basis of the total number of PSUs held by each individual member of the Executive Board (including already granted Dividend PSUs). The Dividend PSUs will vest at the same time as the PSUs that they relate to

Respectively in January 2015, 2016, 2017 and 2018 each member of the Executive Board will be granted rights to shares in DONG Energy A/S ("Matching Shares"). The number of rights to Matching Shares that are to be granted on the relevant dates of grant will depend on the

~~number of shares which the individual member of the Executive Board has subscribed for in 2014 and thus owns on the relevant dates of grant.~~

~~In January 2015, each member of the Executive Board will be granted a number of rights to Matching Shares equivalent to 50% of the number of shares owned by the executive member in question. Respectively in January 2016, 2017 and 2018 each member of the Executive Board will be granted a number of rights to Matching Shares equivalent to 25% of the number of shares owned by the executive board member in question. Thus, the maximum number of rights to Matching Shares that can be granted to the individual member of the Executive Board will be 125% of the number of shares subscribed for by the executive member in 2014. In the event of an IPO of the company before 1 January 2018, the granting of rights to Matching Shares will be accelerated to the effect that rights to Matching Shares that have not yet been granted will be granted at the latest 15 Danish business days following the date of the IPO of the company.~~

~~Rights to Matching Shares are granted free of charge.~~

~~It is a condition for each granting of rights to Matching Shares that the individual member of the Executive Board has not resigned on the respective dates of grant. However, in the event of dismissal by DONG Energy A/S without such dismissal being due to the breach by the member of the Executive Board, the member of the Executive Board will retain his/her right to a proportionate share of the grants having regard to the member of the Executive Board term of employment during the qualification period which the member of the Executive Board would have been entitled to if he or she had still been employed at the time of granting.~~

~~The exercise of granted rights to Matching Shares is conditional upon the individual Executive Board member being employed on the date of grant. However, the right to exercise granted rights to Matching Shares is maintained if the employment relationship has ceased due to death or retirement or if the member of the Executive Board has been dismissed by the company without such dismissal being due to the breach of the member of the Executive Board.~~

~~The number of granted rights to Matching Shares that can be exercised is depending on the financial performance development of DONG Energy A/S. The PSUs granted will vest after 3 years, although the first grant under the DSP is expected to vest after 2 years and approximately 7 months. The final number of PSUs that can be exercised by each member of the Executive Board upon vesting will be determined based on the financial performance of the Company compared to a number of European energy companies. The exercise rate varies from 0-100% will vary from 0% to maximum 200% of the target number of PSUs granted, which means that the maximum value of the grant (excluding share price developments) will be 40% of the individual member's annual fixed remuneration at the time of the grant.~~

Upon vesting, the Company will deliver shares to the members of the Executive Board. The shares will be delivered free of charge. The Company reserves the right to settle in cash instead.

Vesting of PSUs will be conditional upon continued employment of the relevant member of the Executive Board at the time of vesting. If a member of the Executive Board leaves the Company as a bad leaver before the time of vesting, such member will forfeit his/her right to PSUs that have not vested at the termination date. If a member of the Executive Board leaves the Company as a good leaver before the time of vesting, such member will keep his/her right to PSUs already granted, which will vest in accordance with the programme.

### 3.3 Pension

~~Provided that the conditions applying to the exercise of the granted rights to Matching Shares have been fulfilled and if the IPO of the company has taken place no later than on 15 January 2019, the rights to Matching Shares will be exercised and the Matching Shares will be delivered at the latest 15 Danish business days following the date of the IPO of the company. If the IPO of the company has not taken place on 15 January 2019 at the latest, the granted rights to Matching Shares will be exercised and the Matching Shares will be delivered on 19 February 2019 at the latest. Exercise of granted rights to Matching Shares can only take place once.~~

~~Exercise of granted rights to Matching Shares is made free of charge.~~

~~The shares for the delivery of Matching Shares are procured by making use of the authorisation to the Board of Directors to increase the share capital of the company by means of issuance of bonus shares as stipulated in the Articles of Association of the company.~~

~~If a member of the Executive Board gives notice of termination before 1 December 2014, and the termination is not due to DONG Energy A/S' material breach of the employment relationship, the Executive Board member is obligated to sell back all his/her shares in DONG Energy A/S. The price per share is DKK 107.2486831.~~

~~If an IPO of the company has not taken place at the latest on 15 January 2019, the members of the Executive Board have the right and the obligation to sell back their shares in DONG Energy A/S to the company at market value fixed by independent third parties.~~

~~The Executive Board may not exercise any control over the shares in the period until an IPO of DONG Energy A/S, if any, takes place or at the earliest until 15 January 2019 after which date the shares are to be sold back to the company.~~

~~Under certain conditions, the Board of Directors of DONG Energy A/S may postpone the above-mentioned dates regarding the IPO, transfer of shares and exercise of rights to Matching Shares by up to six months.~~

*Pension:*

~~The pension scheme contribution for the registered~~ The members of the Executive Board is included in are not entitled to any pension contributions in addition to the fixed basic pay annual remuneration. ~~The Chief members of the Executive Officer has~~ Board have the option of participating in DONG Energy A/S' the Company's employer-operated pension scheme. This scheme, which has been set up as a defined contribution scheme.

### **3.4 Staff benefits/personal benefits**

A number of work-related benefits are available to the members of the Executive Board, including company car, free telephone, ~~telefax~~, domestic broadband access and relevant business magazines. ~~The extent/size of the individual benefits is subject to negotiation with the individual member~~ Moreover, the members of the Executive Board. ~~Moreover, the Executive Board is~~ are covered by DONG Energy A/S' the Company's insurance schemes.

Dependants of the Chief Executive Officer, defined as cohabiting spouse/cohabitant registered at the same address of registered residence, alternatively children under the age of 25, are also furthermore guaranteed 12 months' post-service salary in aggregate in the event that the Chief Executive Officer dies during his-her employment.

### **3.5 Termination**

~~DONG Energy A/S~~ The Company is entitled to terminate the employment ~~at~~ of a member of the Executive Board on 12 months' notice. ~~An~~ Each member of the Executive Board member is entitled to terminate his-her employment with DONG Energy A/S ~~at~~ the Company on 6 months' notice.

### **3.6 Severance pay**

The service agreements of the members of the Executive Board ~~includes~~ include a severance pay scheme ~~which results in providing~~ payment of salary equalling an amount equal to 12 months' pay fixed remuneration in the event of dismissal by DONG Energy A/S. ~~the Company~~ without breach of contract by the relevant member of the Executive Board.



**4. Expenses**

Expenses, for example for travelling and accommodation in connection with meetings, will be reimbursed upon submission of valid receipts only.

**5. Disclosure of the remuneration policy**

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 elements of retention and retirement/resignation schemes, will be disclosed in the Company's annual report.

Approved at the extraordinary general meeting of the Company on 20 May 2016, subject to the Company completing the listing of its shares on Nasdaq Copenhagen no later than 31 March 2017.

~~Approved at the General Meeting of DONG Energy A/S on 20 February 2014.~~

Comparison Details	
Title	pdfDocs compareDocs Comparison Results
Date & Time	02-05-2016 12:00:03
Comparison Time	2,95 seconds
compareDocs version	v4.1.505.8

Sources	
Original Document	C:\Users\ckd\AppData\Local\Temp\DocsCorp\pdfDocs compareDocs\Document\044\Remuneration policy for DONG Energy A S (KR Comments).doc
Modified Document	C:\Users\ckd\AppData\Local\Temp\51356e2a-5c76-4c7d-952b-73854c42052e\Remuneration policy - DONG Energy AS (UK) 1 May 2016.doc

Comparison Statistics	
Insertions	100
Deletions	27
Changes	45
Moves	0
<b>TOTAL CHANGES</b>	<b>172</b>

Word Rendering Set Markup Options	
Name	Standard
<u>Insertions</u>	
<del>Deletions</del>	
<u>Moves / Moves</u>	
Inserted cells	
Deleted cells	
Merged cells	
Formatting	Color only.
Changed lines	Mark left border.
Comments color	By Author.
Balloons	False

compareDocs Settings Used	Category	Option Selected
Open Comparison Report after Saving	General	Always
Report Type	Word	Track Changes
Character Level	Word	False
Include Headers / Footers	Word	True
Include Footnotes / Endnotes	Word	True
Include List Numbers	Word	True
Include Tables	Word	True
Include Field Codes	Word	True
Include Moves	Word	False
Show Track Changes Toolbar	Word	True
Show Reviewing Pane	Word	True
Update Automatic Links at Open	Word	False
Summary Report	Word	End
Include Change Detail Report	Word	Separate
Document View	Word	Print
Remove Personal Information	Word	False
Flatten Field Codes	Word	True

## Appendix 3 to the notice to the general meeting on 20 May 2016

### **RULES OF PROCEDURE FOR THE NOMINATION COMMITTEE OF DONG ENERGY A/S**

#### **1. BASIS OF THE RULES OF PROCEDURE**

- 1.1 These Rules of Procedure were adopted at the general meeting of DONG Energy A/S (the "Company") held on 20 May 2016.
- 1.2 All members of the Nomination Committee must accept and sign the Rules of Procedure for the Nomination Committee when they join the Nomination Committee.

#### **2. POWERS AND PRACTICE**

- 2.1 The Nomination Committee shall evaluate the composition of the Board of Directors and present to the general meeting recommendations for members to the Board of Directors to be elected by the shareholders in general meeting. The Nomination Committee shall ensure that all candidates for the Board of Directors of the Company satisfy the expectations of the capital markets and that the composition of the Board of Directors complies with the corporate governance recommendations for listed companies.
- 2.2 The Nomination Committee must submit its recommendations for election of members to the Board of Directors in such time for the Board of Directors to include the recommendations in the notice for the general meeting. The recommendations will be included in the material made available in advance of general meetings for inspection by the shareholders, see article 7.2 of the Articles of Association.
- 2.3 The term of office of the Nomination Committee runs from the first meeting held in October, see clause 5.1, second sentence, until a new Nomination Committee has been appointed, see clause 4.

#### **3. COMPOSITION**

- 3.1 The Nomination Committee consists of up to six members: the chairman and the deputy chairman of the Board of Directors of the Company and up to four representatives appointed by shareholders, see clause 4.
- 3.2 The chairman of the Board of Directors is the chairman of the Nomination Committee.
- 3.3 Members of the Board of Directors (with the exception of the chairman and the deputy chairman), members of the Company's Executive Board and employees of the Company are not eligible for election to the Nomination Committee.

#### **4. RIGHT OF APPOINTMENT AND RETIREMENT**

- 4.1 On or before 15 September, the chairman of the Nomination Committee will request that the four largest registered shareholders according to the Company's share register (subject to the next sentence) at the time of the request each appoint a representative to the Nomination Committee. The chairman may in its discretion require evidence that any large registered shareholder otherwise entitled to appoint one member of the Nomination Committee is the owner of the shares for which it is registered in the share register (and e.g. not a nominee), and to the extent that such evidence is not provided within the timeframe set by the chairman, such shares shall be disregarded for the purposes of identifying the largest shareholders entitled to appoint a member of the Nomination Committee. Shareholdings held by several companies deemed to constitute a group pursuant to the Danish Financial Statements Act are aggregated, and only the parent company of the group is entitled to appoint one member. The shareholders must appoint members of the Nomination Committee by the end of September. If any of the four largest shareholders does not wish to be represented on the Nomination Committee or to appoint a representative before the deadline, a request will be made to the fifth largest shareholder and so forth until a total of four shareholder representatives have been appointed. Only the ten largest shareholders may appoint a representative to the Nomination Committee.

## **Appendix 3 to the notice to the general meeting on 20 May 2016**

- 4.2 The Company will announce the composition of the Nomination Committee when it has been established. Any subsequent changes in the composition of the Nomination Committee will be announced by the Company.
  - 4.3 Shareholders represented on the Nomination Committee may replace their representative by notifying the chairman of the Nomination Committee accordingly.
  - 4.4 If a shareholder represented on the Nomination Committee ceases to be a shareholder before 1 January, the representative of such shareholder must retire from the Nomination Committee. The chairman of the Nomination Committee will request that the largest registered shareholder according to the register of owners at the time in question, who is not already represented, appoint a representative. The procedure set out in clause 4.1, third sentence, applies.
  - 4.5 If a shareholder represented on the Nomination Committee ceases to be a shareholder after 1 January, the representative of such shareholder must retire from the Nomination Committee. The Nomination Committee will subsequently finalise its work with the remaining shareholder representatives.
  - 4.6 If a shareholder representative retires from the Nomination Committee before 1 January for any reason other than that stated in clause 4.4, and if the shareholder represented does not wish to appoint a new representative, the procedure set out in clause 4.4 applies correspondingly. If in such a situation a shareholder representative retires after 1 January, the Nomination Committee will finalise its work with the remaining shareholder representatives.
  - 4.7 If a member of the Nomination Committee retires, such member shall return all written material received as part of the Nomination Committee work.
- 5. MEETINGS ETC.**
- 5.1 The Nomination Committee will hold at least two annual meetings. The first meeting shall be held by the end of October. The chairman sets the time and place of meetings. The chairman may call a meeting of the Nomination Committee when he so wishes. The chairman shall call a meeting when so requested by a member of the Nomination Committee.
  - 5.2 Meetings shall be convened by at least seven days' notice.
  - 5.3 The chairman of the Nomination Committee shall arrange for a minute book to be kept by a person appointed by the Nomination Committee, which book must contain information on attendants at the individual meetings, minutes of the proceedings of meetings and resolutions passed.
- 6. CONFIDENTIALITY**
- 6.1 Members of the Nomination Committee are subject to a duty of confidentiality according to the same rules as those applying to members of the Board of Directors. Further, members of the Nomination Committee are required to make themselves familiar with and comply with the Company's internal rules to ensure compliance with the Danish Securities Trading Act and the Market Abuse Regulation.
- 7. REMUNERATION AND OTHER EXPENSES**
- 7.1 Shareholder representatives on the Nomination Committee will not be remunerated, and expenses incurred in connection with their participation in meetings will not be reimbursed.
  - 7.2 The Company will reimburse any reasonable recruitment agency expenses of the Nomination Committee and any other reasonable expenses required for the performance of the Nomination Committee's duties.

Adopted at an extraordinary general meeting on 20 May 2016

## Appendix 3 to the notice to the general meeting on 20 May 2016

### **RULES OF PROCEDURE FOR THE NOMINATION COMMITTEE OF DONG ENERGY A/S**

#### **1. BASIS OF THE RULES OF PROCEDURE**

- 1.1 These Rules of Procedure were adopted at the general meeting of DONG Energy A/S (the "Company") held on ~~19 April 2016~~ 20 May 2016.
- 1.2 All members of the Nomination Committee must accept and sign the Rules of Procedure for the Nomination Committee when they join the Nomination Committee.

#### **2. POWERS AND PRACTICE**

- 2.1 The Nomination Committee shall evaluate the composition of the Board of Directors and present to the general meeting recommendations for members to the Board of Directors to be elected by the shareholders in general meeting. The Nomination Committee shall ensure that all candidates for the Board of Directors of the Company satisfy the expectations of the capital markets and that the composition of the Board of Directors complies with the corporate governance recommendations for listed companies.
- 2.2 The Nomination Committee must submit its recommendations for election of members to the Board of Directors ~~not later than 2 weeks prior to the date of~~ in such time for the Board of Directors to include the recommendations in the notice for the general meeting. The recommendations will be included in the material made available in advance of general meetings for inspection by the shareholders, see article ~~6.8~~ 7.2 of the Articles of Association.
- 2.3 The term of office of the Nomination Committee runs from the first meeting held in October, see clause 5.1, second sentence, until a new Nomination Committee has been appointed, see clause 4.

#### **3. COMPOSITION**

- 3.1 The Nomination Committee consists of up to six members: the chairman and the deputy chairman of the Board of Directors of the Company and up to four representatives appointed by shareholders, see clause 4.
- 3.2 The chairman of the Board of Directors is the chairman of the Nomination Committee.
- 3.3 Members of the Board of Directors (with the exception of the chairman and the deputy chairman), members of the Company's Executive Board and employees of the Company are not eligible for election to the Nomination Committee.

#### **4. RIGHT OF APPOINTMENT AND RETIREMENT**

- 4.1 On or before 15 September, the chairman of the Nomination Committee will request that the four largest registered shareholders according to the Company's share register of owners (subject to the next sentence) at the time of the request each appoint a representative to the Nomination Committee. The chairman may in its discretion require evidence that any large registered shareholder otherwise entitled to appoint one member of the Nomination Committee is the owner of the shares for which it is registered in the share register (and e.g. not a nominee), and to the extent that such evidence is not provided within the timeframe set by the chairman, such shares shall be disregarded for the purposes of identifying the largest shareholders entitled to appoint a member of the Nomination Committee. Shareholdings held by several companies deemed to constitute a group pursuant to the Danish Financial Statements Act are aggregated, and only the parent company of the group is entitled to appoint one member. The shareholders must appoint members of the Nomination Committee by the end of September. If any of the four largest shareholders does not wish to be represented on the Nomination Committee or to appoint a representative before the deadline, a request will be made to the fifth largest shareholder and so forth until a total of four shareholder representatives have been appointed. Only the ten largest shareholders may appoint a representative to the Nomination Committee.

### Appendix 3 to the notice to the general meeting on 20 May 2016

- 4.2 The Company will announce the composition of the Nomination Committee when it has been established. Any subsequent changes in the composition of the Nomination Committee will be announced by the Company.
- 4.3 Shareholders represented on the Nomination Committee may replace their representative by notifying the chairman of the Nomination Committee accordingly.
- 4.4 If a shareholder represented on the Nomination Committee ceases to be a shareholder before 1 January, the representative of such shareholder must retire from the Nomination Committee. The chairman of the Nomination Committee will request that the largest registered shareholder according to the register of owners at the time in question, who is not already represented, appoint a representative. The procedure set out in clause 4.1, third sentence, applies.
- 4.5 If a shareholder represented on the Nomination Committee ceases to be a shareholder after 1 January, the representative of such shareholder must retire from the Nomination Committee. The Nomination Committee will subsequently finalise its work with the remaining shareholder representatives.
- 4.6 If a shareholder representative retires from the Nomination Committee before 1 January for any reason other than that stated in clause 4.4, and if the shareholder represented does not wish to appoint a new representative, the procedure set out in clause 4.4 applies correspondingly. If in such a situation a shareholder representative retires after 1 January, the Nomination Committee will finalise its work with the remaining shareholder representatives.
- 4.7 If a member of the Nomination Committee retires, such member shall return all written material received as part of the Nomination Committee work.

### **5. MEETINGS ETC.**

- 5.1 The Nomination Committee will hold at least two annual meetings. The first meeting shall be held by the end of October. The chairman sets the time and place of meetings. The chairman may call a meeting of the Nomination Committee when he so wishes. The chairman shall call a meeting when so requested by a member of the Nomination Committee.
- 5.2 Meetings shall be convened by at least seven days' notice.
- 5.3 The chairman of the Nomination Committee shall arrange for a minute book to be kept by a person appointed by the Nomination Committee, which book must contain information on attendants at the individual meetings, minutes of the proceedings of meetings and resolutions passed.

### **6. CONFIDENTIALITY**

- 6.1 Members of the Nomination Committee are subject to a duty of confidentiality according to the same rules as those applying to members of the Board of Directors. Further, members of the Nomination Committee are required to make themselves familiar with and comply with the Company's internal rules to ensure compliance with the Danish Securities Trading Act and the Market Abuse Regulation.

### **7. REMUNERATION AND OTHER EXPENSES**

- 7.1 Shareholder representatives on the Nomination Committee will not be remunerated, and expenses incurred in connection with their participation in meetings will not be reimbursed.
- 7.2 The Company will reimburse any reasonable recruitment agency expenses of the Nomination Committee and any other reasonable expenses required for the performance of the Nomination Committee's duties.

Adopted at an extraordinary general meeting on 20 May 2016

Comparison Details	
Title	pdfDocs compareDocs Comparison Results
Date & Time	02-05-2016 11:18:47
Comparison Time	1,88 seconds
compareDocs version	v4.1.505.8

Sources	
Original Document	C:\Users\ckd\AppData\Local\Temp\DMSforLegal.Office\20160502\{A541050F-178C-46B2-8A69-0B9CF6F1AB78}\Rules of Procedure Nomination Committee (UK) 1.0.doc
Modified Document	C:\Users\ckd\AppData\Local\Temp\DMSforLegal.Office\20160502\{C1B95F58-8E85-41BC-819C-9BD6965FCE36}\Rules of Procedure Nomination Committee (UK) 10.0.doc

Comparison Statistics	
Insertions	5
Deletions	0
Changes	4
Moves	0
<b>TOTAL CHANGES</b>	<b>9</b>

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Deletions	
<u>Moves / Moves</u>	
Inserted cells	
Deleted cells	
Merged cells	
Formatting	Color only.
Changed lines	Mark left border.
Comments color	By Author.
Balloons	False

compareDocs Settings Used	Category	Option Selected
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