



22 June 2016

## **Nomination Committee Mandate and Charter**

### **I Mandate**

The Nomination Committee (“the Committee”) is a committee under the Board of Directors and shall prepare decisions for the Board of Directors to approve.

The Board of Directors authorizes the Committee to:

- Review, investigate and monitor all areas within the Mandate and Charter;
- Obtain the necessary information from the Executive Committee and employees who are required to cooperate with the Committee and answer any questions from the Committee, relevant to its work; and
- Obtain advice, guidance and assistance from external consultants/specialists when deemed necessary or advisable for the performance of its functions. The company is expected to cover the expenses incurred in connection herewith.

### **II Committee tasks**

The Committee has the following preparatory tasks:

- Generally advise and make recommendations to the Board of Directors in relation to the items listed below;
- Annually describe the qualifications that the Board of Directors and the Executive Committee must have to best perform its tasks; describe the same for a given position; state the expected time commitment for a position and evaluate the competences, knowledge and experience available in the Board of Directors and the Executive Committee;
- Annually assess the structure, size, composition and results of the Board of Directors and the Executive Committee and make recommendations to the Board of Directors with regard to any changes;
- Annually assess the competences, knowledge and experience of the individual members of the Board of Directors and the Executive Committee and report such details to the Board of Directors;
- Consider proposals submitted by relevant persons, including shareholders and members of the Board of Directors and the Executive Committee, for candidates for executive positions;

- Propose an action plan to the Board of Directors on the future composition of the Board of Directors, including proposals for specific changes;
- Identify and recommend to the Board of Directors, candidates for the Board of Directors;
- Based on proposal from the chief executive officer (CEO), recommend to the Board of Directors candidates for the Executive Committee;
- Ensure that selection and nomination of candidates to the Board of Directors are carried out through a thorough and for the Board of Directors transparent process approved by the Board of Directors and when assessing its composition and nominating new candidates take into consideration the need for integration of new talent and the need for diversity in relation to international experience, gender and age, etc.;
- Always ensure that appropriate succession arrangements are in place for essential positions, including the Executive Committee and other top management positions; and
- Annually review the company's compliance with the Recommendations for Corporate Governance as set out by the Committee on Corporate Governance and, if relevant, the Guidelines for responsible ownership and good corporate governance as set out by the Danish Venture Capital and Private Equity Association and make recommendations to the Board of Directors for adoption of the company's corporate governance position.

### **III Members of the Committee and Term**

The Committee shall consist of up to six members of the Board of Directors. The members of the Committee, including the Chairman of the Committee, shall be appointed by and among the members of the Board of Directors at the constituent board meeting immediately after the General Meeting for a period until the next General Meeting. Reappointment is allowed.

### **IV Meetings**

The Committee shall meet as often as the Committee deems it appropriate, but at least three times each year. Further, the Committee shall meet upon request of a member of the Committee, the Board of Directors or the Executive Committee.

Meetings shall be convened by the Chairman of the Committee at not less than four days' written notice to all members of the Committee and such notice shall include an agenda for the meeting in question. Any written material relating to the individual agenda items shall, to the extent possible, be made available to the members together with the notice convening the meeting.

If deemed appropriate, the Chairman of the Committee can decide that meetings of the Committee are held by conference calls.

If deemed necessary by the Chairman of the Committee, proxy arrangements may be made, under which a member of the Committee in isolated cases may grant a power

of attorney to another member where this is appropriate, having regard to the issue to be discussed.

Further, the Chairman of the Committee can decide that a resolution of the Committee may be passed following a written procedure. The proposed resolution shall be forwarded to the members of the Committee and the Chairman of the Committee shall subsequently seek to obtain a written, oral or electronically transferred statement from all members of the Committee and subsequently arrange for the recording of the resolution in the minute book.

Only members of the Committee are entitled and obliged to attend meetings of the Committee. In order to ensure the Committee's independence and objectivity, other members of the Board of Directors or of the Executive Committee respectively can participate in meetings only at the invitation of the Committee, with a view to providing factual information. This includes the CEO, other executives, including the HR Director etc., and is also the case for any external consultants with specific expertise in recruitment and HR.

Meetings of the Committee shall be subject to the same confidentiality provisions that apply to the Board of Directors.

## **V Quorum and resolutions**

Provided the meeting has been duly convened and held, a majority of the members of the Committee shall constitute a quorum.

Resolutions require a simple majority of the members present at a meeting; however, all resolutions of the Committee shall be sought to be made unanimously. In the event of equality of votes, the Chairman of the Committee holds the casting vote.

Any resolution of the Committee in writing and signed by all of the members of the Committee shall be fully as effective as if it had been made at a meeting duly called and held.

## **VI Minutes of meetings**

Minutes of all meetings of the Committee shall be prepared to document the fulfillment of the Committee's responsibilities. The draft minutes shall be sent to the members of the Committee prior to the tenth working day after the meeting date and in addition – as for meetings with participation of the CEO and other executives – to these participants to ensure the precise wording of the minutes. The minutes shall be approved by the Committee at the following meeting. The approved minutes shall be maintained with the books and the records of the company.

## **VII Report to the Board of Directors and self-evaluation**

The Committee shall, when appropriate, inform the Board of Directors of the Committee's activities and submit recommendations to the Board of Directors. The Board of Directors may consult the Committee on any matter considered to be of relevance to the Board of Directors' work.

An annual self-evaluation of the work and members of the Committee shall be carried out. A report on the self-evaluation shall be forwarded to the Board of Directors and shall be part of the self-evaluation of the Board of Directors.

The Committee and the Chairman of the Committee shall on the basis of the self-evaluation present any suggestions to the Board of Directors regarding improvement of the work of the Committee.

## **VIII Publication**

The Committee shall contribute to the information regarding the Committee on the company's website and in the company's annual report if the information is included therein. The Committee shall provide the information below to the company's website and the annual report, if relevant. The Committee shall also ensure that the information regarding the Committee on the website and in the annual report, if relevant, is accurate and adequate.

The company's website and annual report, if relevant:

- Inform that the company has established a Committee
- Inform about the Committee's Mandate and Charter
- Inform about the Committee's principal activities during the year
- Inform about the names of the members of the Committee
- Inform about who are independent members of the Committee
- Inform about who are members with special qualifications in the Committee
- Inform about who is Chairman of the Committee
- Inform about the number of meetings throughout the year

## **IX Remuneration of the members of the Committee**

All or individual members of the Committee may receive remuneration in the form of an annual fee. The remuneration shall be approved by the General Meeting in connection with approval of the ordinary fee to the Board of Directors.

## **X Other Issues**

At least annually, the Mandate and Charter shall be reviewed by the Committee and any changes proposed by the Committee shall be submitted to the Board of Directors for approval.

If the company has a controlling shareholder and such controlling shareholder decides to nominate directors, such nomination can take place without the involvement of the Committee. If candidates are nominated by a controlling shareholder without the Committee's involvement, the Committee shall only follow the guidelines set out in this Mandate and Charter with respect to the directors not nominated by the controlling shareholder.

Thus approved at the meeting of the Board of Directors of TDC A/S held on 22 June 2016.