

Nomination Committee Charter



1 Establishment and purpose

- 1.1 Pursuant to the Rules of Procedure of the Board of Directors of The Drilling Company of 1972 A/S, CVR no. 40404716 (the "Company"), the Board of Directors has resolved to establish a nomination committee (the "Nomination Committee").
- 1.2 The overall purpose of the Nomination Committee shall be to assist the Board of Directors with ensuring that appropriate plans and processes are in place for nomination of candidates to the Board of Directors (including the Chairmanship), the Executive Management and the board committees.
- 1.3 If requested by the Chairmanship, the Nomination Committee shall assist in evaluating the composition of the Board of Directors. This includes making recommendations for nomination or appointment of members of (a) the Board of Directors (including the Chairmanship) and (b) the board committees established by the Board of Directors.

2 Members

- 2.1 The Nomination Committee shall consist of no less than two members. The members of the Nomination Committee shall be appointed by and among the members of the Board of Directors.
- 2.2 A member of the Nomination Committee shall be designated by the Board of Directors as Chairman of the Nomination Committee.
- 2.3 The members of the Nomination Committee shall be appointed for a one-year term. The Board of Directors can at any time and without notice decide to change the composition of the Nomination Committee.
- 2.4 Any member of the Nomination Committee who resigns from the Board of Directors must also resign from the Nomination Committee.

3 Assignments

- 3.1 Evaluation and independence
 - 3.1.1 The overall assignments of the Nomination Committee in respect of evaluation and independence are to:
 - a. assist the Chairmanship of the Board of Directors with the annual evaluation of the qualifications, knowledge, experience, effectiveness, achievements, succession and competencies of the Board of Directors. The annual evaluation shall include the contribution and results of the Board of Directors, cooperation with Executive Management, the Chairman's leadership of the Board of Directors, the composition of the Board of Directors (including competencies, diversity and the number of members), the work in the committees and the committee structure as well as the organisation and quality of the material that is submitted to the Board of Directors. As part of the annual evaluation process, an assessment shall be made of what is considered a reasonable level for the number of other directorships (e.g. other executive and non-executive functions), where the number of roles, level and complexity are taken

into account. The evaluation can be carried out through interviews, by anonymous assessment, with the involvement of an independent external consultant or otherwise). External assistance should be obtained at least every third year; and

- b. assist the Chairmanship of the Board of Directors with the annually assessment the qualifications, competencies, knowledge, experience, succession, work, performance and results of the Executive Management and of each individual member, where relevant in accordance with pre-defined criteria, and report hereon to the Board of Directors to assist with its annual evaluation of Executive Management. The annual assessment shall include the need for changes to the structure and composition of the Executive Management in light of the Company's strategy; and
- c. annually review developments in respect of independence criteria for the Board of Directors and the Executive Management and review the composition of the Board of Directors and Executive Management in relation to independence.

3.2 Recommendations for nomination and appointment

3.2.1 The overall assignments of the Nomination Committee in respect of the recommendations for nomination and appointment are to:

- a. ensure a formal, thorough and transparent process for selection and nomination of candidates to the Board of Directors taking into consideration the needs for changes and diversity in relation to national background, international experience, gender, age, etc. and that it is recommended that at least half of the members of Board of Directors elected by the general meeting shall be independent as defined in the Danish Recommendations on Corporate Governance (as amended from time to time);
- b. review and recommend to the Board of Directors the Company's Diversity Policy, including the target figures and policy for the gender composition of the Board of Directors and other managerial positions;
- c. recommend candidates to the Board of Directors and the Executive Management;
- d. propose an action plan to the Board of Directors on the future composition of the Board of Directors (including the Chairmanship and board committees) and recommend to the Board of Directors candidates and any changes to the Board of Directors and the Executive Management, which shall include a review and assessment of potential candidates for the Board of Directors and the Executive Management, including their qualifications, knowledge, experience and other competencies as well as any possible conflicts of interests such candidates may have;
- e. ensure that recommendations for the nomination and/or replacement of members of the Board of Directors and the Executive Management shall be prepared on the basis of the qualifications



and competences deemed to be required by the Nomination Committee, cf. section 3.1.1 (a);

- f. ensure that recommendations for the nomination and/or replacement of members of the Board of Directors and the Executive Management shall be prepared in accordance with the diversity policy, the target figures and policy for the gender composition of the Board of Directors and other managerial positions as set out by the Board of Directors, while also having due regard to finding the best candidates regardless of gender;
- g. prepare descriptions of nominated candidates' competencies and qualifications, including information on other executive functions (e.g. memberships of management boards, boards of directors, supervisory boards, board committees etc.) in Danish and foreign companies as well as any demanding positions and tasks in organisations and whether the candidates are considered independent, which, subject to the approval of the Board of Directors, shall be sent out to the shareholders together with the notice convening general meetings at which board members are to be elected;
- h. ensure that nominated candidates receive and complete the Company's questionnaire on conflicts of interest to ensure that conflicts of interest are avoided;
- i. annually make suggestions for appointment of members to the committees established by the Board of Directors; and
- j. consider relevant diversity in respect of e.g. age, international experience and gender at management levels and to recommend specific targets for the gender composition.

3.3 Subsidiary companies

- 3.3.1 The Nomination Committee shall monitor the composition of the management in the Company's subsidiaries.

4 Meetings

- 4.1 Meetings shall be held when deemed necessary by the Chairman of the Nomination Committee, subject to a minimum of two meetings a year.
- 4.2 The Executive Management and a member of the Nomination Committee may request a meeting of the Nomination Committee to be held.
- 4.3 The Chairman of the Nomination Committee shall convene the meetings with not less than seven calendar days' notice and determine the agenda which shall be sent to the members in advance of each meeting.
- 4.4 Minutes of meetings of the Nomination Committee shall be prepared for each meeting and section [3.8] of the Rules of Procedure of the Board of Directors shall apply equally to such minutes. When the



minutes have been approved, copies of the minutes shall be forwarded to the members of the Board of Directors.

- 4.5 The work of the Nomination Committee is subject to the same confidentiality as the work of the Board of Directors.
- 4.6 Members of the Board of Directors, the Executive Management, relevant employees and external parties (e.g. advisers) may participate in the meetings of the Nomination Committee upon invitation.
- 4.7 The Executive Management shall attend meetings of the Nomination Committee if requested.

5 Resolutions at the Nomination Committee

- 5.1 Resolutions are passed by simple majority. In the event of equal votes, the Chairman of the Nomination Committee shall have a casting vote.

6 Authorisation

- 6.1 The Nomination Committee shall report and make recommendations to the Board of Directors.
- 6.2 The Nomination Committee is authorised to examine all matters within the scope of its Charter.
- 6.3 The Nomination Committee may retain separate advisers. The fee to such advisers shall be paid by the Company. The Board of Directors has obtained a budget for external advisers.

7 Review of Charter

- 7.1 The Nomination Committee shall review this Nomination Committee Charter once every year. Amendments shall be approved by the Board of Directors.

Approved by the Board of Directors on 2 April 2019.