

5 February 2014

### **Extraordinary General Meeting in DONG Energy A/S**

The Board of Directors of DONG Energy A/S, company registration (CVR) no. 36 21 37 28, Municipality of Fredericia (the "Company"), hereby convenes an Extraordinary General Meeting in the Company to be held on

Thursday, 20 February 2014, 10:30 am

at the address: Nesa Allé 1, DK-2820 Gentofte.

The reason for holding the Extraordinary General Meeting is to adopt the Board of Directors' proposals listed in the agenda below in relation to inter alia the Company's previous announcements regarding the planned increase of its share capital, whereby funds managed by the Merchant Banking Division of Goldman Sachs (Goldman Sachs) and the Danish pension funds, Arbejdsmarkedets Tillægspension and PFA Pension, Forsikringsaktieselskab, together with four of the existing minority shareholders, SEAS-NVE Holding A/S, SYD ENERGI Net A/S (through SYD ENERGI a.m.b.a.), Insero Horsens and Nyfors Entreprise A/S, that have elected to participate in the capital increase, will invest a total of up to DKK 13,050 million in the Company by subscribing for new shares (for further information please see [www.dongenergy.com](http://www.dongenergy.com)). All of the minority shareholders have been invited to participate in the capital increase.

The agenda for the Extraordinary General Meeting is as follows:

- 1 Proposal from the Board of Directors for adopting a resolution removing article 18 of the Company's articles of association pursuant to which any transfer or other method of assignment of the shares is subject to the written consent of the Danish Minister of Finance and proposal for amendment of article 5.2 in consequence of the above
  
- 2 Proposal from the Board of Directors to increase the Company's share capital at market price with a minimum of nominally DKK 932,412,380 and up to nominally DKK 1,216,762,240, from nominally DKK 2,937,099,000 to a total of minimum nominally DKK 3,869,511,380 and up to nominally DKK 4,153,861,240 by cash payment as a directed issue without pre-emptive subscription rights for the existing shareholders, including the proposal for amendment of the Company's articles of association in accordance therewith

- 3 Proposal from the Board of Directors to authorise the Board of Directors until 19 February 2019 to increase the share capital of the Company at market price on one or several occasions by up to nominally DKK 490,000,000 by way of conversion of debt in exchange for issuance of compensation shares pursuant to the Investment Agreement dated 29 November 2013 between the Company and certain investors without pre-emptive rights for the existing shareholders, including the proposal for amendment of the Company's articles of association in accordance therewith
- 4 Proposal from the Board of Directors to authorise the Board of Directors until 31 December 2014 to increase the share capital of the Company at a subscription price per share of DKK 107.2486831 on one or several occasions 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 without pre-emptive rights for the existing shareholders, including the proposal for amendment of the Company's articles of association in accordance therewith
- 5 Proposal from the Board of Directors to authorise the Board of Directors until 31 December 2014 to increase the share capital of the Company at a subscription price per share of DKK 80.4365124 on one or several occasions by up to nominally DKK 22,131,740 by cash payment in exchange for issuance of shares to employees in the Company and a number of its (directly and/or indirectly) wholly owned subsidiaries without pre-emptive rights for the existing shareholders, including the proposal for amendment of the Company's articles of association in accordance therewith
- 6 Proposal from the Board of Directors to authorise the Board of Directors until 19 February 2019 to increase the share capital of the Company on one or several occasions by up to nominally DKK 51,849,130 by issuance of bonus shares to employees, including executive employees and leaders, in the Company and a number of its (directly and/or indirectly) wholly owned subsidiaries without pre-emptive rights for the existing shareholders, including the proposal for amendment of the Company's articles of association in accordance therewith
- 7 Proposal from the Board of Directors to authorise the Board of Directors until 19 February 2019 to let the Company acquire treasury shares for ownership as well as pledge up to a maximum aggregate nominal value totalling 10% of the Company's share capital

- 8 Proposal from the Board of Directors for amendments to the Company's remuneration policy for the Board of Directors and Executive Board, including the proposal for amendment of the Company's articles of association in connection therewith
- 9 Proposal from the Board of Directors to authorise the Board of Directors to appoint one or more observers with the right to participate and speak at meetings of the Board of Directors and at any committee thereof, including the proposal for amendment of the Company's articles of association in accordance therewith
- 10 Proposal from the Board of Directors to change the Company's corporate language into English, including the proposal for amendment of the Company's articles of association in accordance therewith
- 11 Proposal for election of a new member to the Board of Directors
- 12 Authorisation of the Board of Directors (with full right of substitution) in respect of filing and registration of the adopted resolutions

Full wording of the proposals with accompanying comments:

#### **Re item 1**

The Board of Directors proposes that article 18 pursuant to which any transfer or other method of assignment of the shares is subject to the written consent of the Danish Minister of Finance, is deleted from the Company's articles of association.

As a consequence of the above proposal the Board of Directors proposes to delete the following reference in article 5.2 "..., cf. article 18, however."

The Board of Directors notes that the change proposed in this item 1 does not affect any existing transfer restrictions, which may have been agreed between shareholders in shareholders' agreements, including agreed requirements of obtaining of the written consent of the Danish Minister of Finance.

#### **Re Item 2**

The Board of Directors proposes that the Company's share capital be increased at market price with a minimum of nominally DKK 932,412,380 and up to nominally DKK 1,216,762,240, from nominally DKK 2,937,099,000 to a total of minimum nominally DKK 3,869,511,380 and up to nominally DKK

4,153,861,240 by cash payment as a directed issue without pre-emptive subscription rights for the existing shareholders.

The capital increase will be carried out at a subscription price per share of DKK 107.2486831.

The new shares will be subscribed for expectedly by the following investors (hereinafter jointly referred to as the "Investors"), provided that all of them elect to participate in the capital increase:

- New Energy Investment S.á.r.l., a limited liability company established under the laws of Luxembourg (company registration number B 181487)
- Arbejdsmarkedets Tillægspension, CVR no. 43 40 58 10
- PFA Pension, Forsikringsaktieselskab, CVR no. 13 59 43 76
- The four existing minority shareholders (SEAS-NVE Holding A/S, CVR no. 25 78 44 13, SYD ENERGI a.m.b.a., CVR no. 38 47 61 14, Insero Horsens, CVR no 31 10 38 43 and Nyfors Enterprise A/S, CVR no 30 54 57 88)

The subscription of the new shares shall take place on written basis no later than 21 March 2014.

The subscription may take place at the Extraordinary General Meeting by signing onto the minutes of the Extraordinary General Meeting.

Payment for the new shares shall take place no later than 21 March 2014.

The reason for diverging from the pre-emptive subscription right is that New Energy Investment S.á.r.l. and the above-mentioned Danish pension funds, Arbejdsmarkedets Tillægspension and PFA Pension, Forsikringsaktieselskab, by a significant injection of funds wish to become shareholders in the Company and, together with the four above-mentioned existing minority shareholders (SYD ENERGI Net A/S invests through SYD ENERGI a.m.b.a.), thereby contribute to ensure, that the Company has the necessary capital base to strengthen and grow its business.

Pursuant to section 156 of the Danish Companies Act the following documents have been prepared in connection with the capital increase:

- (i) a board statement on any event of material importance for the position of the Company, which has occurred since the adoption of the Company's latest annual report, and
- (ii) the auditor's statement in respect of the board statement.

The Board of Directors proposes that the general meeting also decides on the following additional terms of the capital increase: (i) the nominal value of the shares shall be DKK 10 per share (or multiples thereof), (ii) the new shares shall be issued to named holders and shall be registered by name in the Company's register of owners, (iii) the new shares shall be negotiable instruments, (iv) no restrictions shall apply to the transferability of the new shares, (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, (vi) 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, (vii) the new shares shall entitle the holder to dividend and other rights in respect of the Company as of the date of registration of the capital increase with the Danish Business Authority and (viii) the costs related to the capital increase to be paid by the Company are estimated not to exceed DKK 270,000,000.

Provided the above proposal is adopted, it will imply the following amendment to article 4.1 of the Company's articles of association:

*"Article 4.1*

*The Company's share capital is DKK [amount] divided into shares of DKK 10 each or multiples thereof."*

**Re items 3 - 6**

The Board of Directors proposes the below authorisations to be adopted and consequently inserted in the articles of association as new articles. The proposed authorisations in article 4.4, 4.5 and 4.6 are all related to the implementation of the Company's planned employee share programme, which consists of a general employee programme and a leader programme. The general programme is directed towards all employees of the Company and some of its (directly and/or indirectly) wholly owned subsidiaries, and the leader programme is directed towards executives and leaders of the Company and some of its (directly and/or indirectly) wholly owned subsidiaries.

*"Article 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 in-*

*crease in the Company adopted on 20 February 2014. The capital increase shall take place at market price.*

*Article 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.*

*Article 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 107.2486831 per share of a nominal value of DKK 10.*

*Article 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.*

*Article 4.6*

*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 by is-*

*suance 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.*

**Article 4.7**

*The following shall apply to any increase of the share capital pursuant to articles 4.2, 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, (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.*

**Article 4.8**

*The Board of Directors shall decide on the further conditions for effecting the capital increases pursuant to the authorisations in articles 4.2, 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, 4.4, 4.5 and 4.6 to increase the share capital are exercised."*

As a consequence of the above proposals the Board of Directors proposes the following new heading be added to the existing heading of article 4:

**"AND AUTHORISATIONS TO INCREASE THE SHARE CAPITAL"**

**Re item 7**

The Board of Directors proposes that the Board of Directors be authorised until 19 February 2019 to let the Company 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. The purchase price of the shares in question shall not be less than DKK 1 per share of nominally DKK 10 and not more than DKK 225 per share of nominally DKK 10.

**Re item 8**

According to the recommendations on good corporate governance, the remuneration policy of the Company for the Board of Directors and the Executive Board, including any changes thereto, should be approved by the Company's General Meeting.

As a consequence of the planned launch of the leader programme for executives and leaders, including the Executive Board (cf. items 3 - 6 above), the Board of Directors proposes the Company's remuneration policy amended in accordance with the draft remuneration policy enclosed as appendix 1 to this notice convening the Extraordinary General Meeting.

Provided the proposal is adopted, it will imply the following amendment in article 7.6 of the Company's articles of association:

*"Article 7.6*

*"At the extraordinary general meeting on 20 February 2014 the general meeting resolved to adopt a remuneration policy for the Company's Board of Directors and Executive Board. The remuneration policy has been published on the Company's website."*

**Re item 9**

The Board of Directors proposes that the Board of Directors be authorised to appoint one or more observers with the right to participate and speak at meetings of the Board of Directors and at any committee thereof. The observers shall not have any voting rights.

Provided the proposal is adopted, it will imply the following new provision to be inserted in the Company's articles of association:

*"Article 10.13*

*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."*



As a consequence of the above proposal the Board of Directors proposes the following new heading be added to the existing heading of article 10:

*"AND BOARD OBSERVERS"*

**Re item 10**

The Board of Directors proposes that the Company's corporate language be changed into English in accordance with section 126(3) and (4) of the Danish Companies Act.

Provided the proposal is adopted, it will imply the following new provision to be inserted in the Company's articles of association:

*"Article 2.2*

*The corporate language of the Company is English in accordance with section 126(3) and (4) of the Danish Companies Act."*

As a consequence of the above proposal the Board of Directors proposes the following new heading be added to the existing heading of article 2:

*"AND CORPORATE LANGUAGE"*

**Re item 11**

Martin Hintze is proposed to be elected to the Board of Directors. In accordance with clause 2.2 of the rules of procedure for the Nomination Committee of the Company, the recommendations by the Nomination Committee on the appointment of members for the board of directors and information on the nominated candidate's background, including qualifications and information on other executive functions, are enclosed as [appendix 2](#) to this notice convening the Extraordinary General Meeting.

The Board of Directors has been notified by the Ministry of Finance, acting on behalf of the Danish State, that further changes to the composition of the Board are expected in connection with the Ordinary General Meeting on 12 March 2014, including the election of a new Chairman and a representative of ATP to the Board of Directors.

**Re item 12**

The Board of Directors proposes that the Board of Directors (with full right of substitution) be authorised to file the resolutions adopted by the 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 and must be complied with in order for the proposals to be carried out:

- (i) The proposals in items 1 - 5 and 8 - 10 may be carried out if at least 2/3 of the Company's share capital is represented at the general meeting and the proposals are approved by at least 2/3 of the votes cast as well as 2/3 of the share capital represented at the general meeting
- (ii) The proposal in item 6 may be carried out if at least 2/3 of the Company's share capital is represented at the general meeting and the proposal is approved by at least 9/10 of the votes cast as well as 9/10 of the share capital represented at the general meeting
- (iii) The proposals in items 7, 11 and 12 may be carried out if at least 50% 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 general meeting are specified in this notice with appendices 1 and 2 convening the meeting and will - together with the updated draft articles of association, the Company's audited and approved annual report for 2012, board statement and the auditor's statement in respect of the capital increase - be available for inspection by the shareholders on the website of the Company, [www.dongenergy.com](http://www.dongenergy.com), in the period from 5 February 2014 - 20 February 2014.

A shareholder may be represented by proxy by using the enclosed proxy form. The Company must receive the proxy form no later than Wednesday 19 February 2014 at 11:59 pm either by sending the form to the Company Nesa Allé 1, DK-2820 Gentofte, fax no. +45 99 55 00 11 or via e-mail to [ULJAR@dongenergy.dk](mailto:ULJAR@dongenergy.dk). The proxy form is also available on the website of the Company, [www.dongenergy.com](http://www.dongenergy.com).

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Skærbæk, 5 February 2014

On behalf of the Board of Directors

Fritz H. Schur

Chairman of the Board of Directors

**Appendix 1 to notice convening the Extraordinary General Meeting in DONG Energy A/S on 20 February 2014 – draft remuneration policy for the Board of Directors and Executive Board, see item 8 on the agenda**

## **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.

### **Members of 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.

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

Each member of the Board of Directors is to receive a fixed annual remuneration and the remuneration for the Chairman and Deputy Chairman of the Board of Directors is to reflect their extended tasks on the Board of Directors.

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.

### **Members of the Executive Board**

The Remuneration Committee of the Board of Directors makes proposals for remuneration for the Executive Board which is subsequently to be approved by all members of 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 compared to the remuneration level in similar major Danish 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 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.

*Incentive programme – cash variable pay*

The cash variable pay for the Executive Board is a variable pay scheme with a term of 12 months. The scheme is assessed, paid and renewed on an annual basis.

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

The payment of the cash variable remuneration is subject to the full or partial achievement of set 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 the Chairman of the Board of Directors and the Chief Executive Officer set the performance targets for and determines the performance of the other members of the Executive Board.

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.

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

*Incentive programme - shares*

In connection with the envisaged capital increase in DONG Energy A/S in February 2014, a share-based incentive programme will be established which also includes the registered members of the Executive Board.

Under the share-based scheme, 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.

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 compared to a number of European energy companies. The exercise rate varies from 0-100%.

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 members of the Executive Board is included in the fixed basic pay. The Chief Executive Officer has the option of participating in DONG Energy A/S' employer-operated pension scheme. This scheme has been set up as a defined contribution scheme.

*Staff benefits/personal benefits*



A number of work-related benefits are available to 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 of the Executive Board. Moreover, the Executive Board is covered by DONG Energy A/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 guaranteed 12 months' post-service salary in the event that the Chief Executive Officer dies during his employment.

#### *Termination*

DONG Energy A/S is entitled to terminate the employment at 12 months' notice. An Executive Board member is entitled to terminate his employment with DONG Energy A/S at 6 months' notice.

#### *Severance pay*

The service agreements of the members of the Executive Board includes a severance pay scheme which results in payment of salary equalling 12 months' pay in the event of dismissal by DONG Energy A/S.

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

Appendix 1 to notice convening the ~~Annual~~Extraordinary General Meeting in DONG Energy ~~on 12 April 2014~~A/S on 20 February 2014 – draft remuneration policy for the Board of Directors and Executive Board, ~~cf. see~~ item ~~68~~ on the agenda

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

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Each member of the Board of Directors is to receive a fixed annual remuneration and the remuneration for the Chairman and Deputy Chairman of the Board of Directors is to reflect their extended tasks on the Board of Directors.

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.

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The Remuneration Committee of the Board of Directors makes proposals for remuneration for the Executive Board which is subsequently to be approved by all members of 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 compared to the remuneration level in similar major Danish 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 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's 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.

*Incentive programme – cash variable pay*

The ~~non-share based incentive programme~~ cash variable pay for the Executive Board is a variable pay scheme with a term of 12 months. The scheme is assessed, paid and renewed on an annual basis.

The performance targets of the cash variable pay scheme consist of ~~32~~ different elements, ~~specifically~~ (i) DONG Energy's A/S creation of financial value, and (ii) the performance of the individual Executive Board member within strategic areas of responsibility and/or specific projects ~~and (iii) the performance of the individual Executive Board member in relation to DONG Energy's values as well as the day-to-day management in general.~~

The payment of the cash variable remuneration is subject to the full or partial achievement of set 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 the Chairman of the Board of Directors and the Chief Executive Officer set the performance targets for ~~the Chief Financial Officer~~ and determines the performance of the other members of the Executive Board.

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.

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

*Incentive programme - shares*

In connection with the envisaged capital increase in DONG Energy A/S in February 2014, a share-based incentive programme will be established which also includes the registered members of the Executive Board.

Under the share-based scheme, 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.

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 compared to a number of European energy companies. The exercise rate varies from 0-100%.

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 members of the Executive Board is included in the fixed basic pay. The Chief Executive Officer has the option of participating in DONG Energy's A/S employer-operated pension scheme. This scheme has been set up as a defined contribution scheme.

*Staff benefits/personal benefits*

A number of work-related benefits are available to 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 of the Executive Board. Moreover, the Executive Board is covered by DONG Energy's A/S insurance schemes.

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

*Termination*

DONG Energy A/S is entitled to terminate the employment at 12 months' notice. An Executive Board member is entitled to terminate his employment with DONG Energy A/S at 6 months' notice.

*Severance pay*

The ~~Chief service agreements of the members of the~~ Executive ~~Officer's service-~~ Board includes a severance pay scheme which results in payment of salary equalling ~~33 1/2~~ 12 months' pay in the event of dismissal by DONG Energy A/S.  
~~For the Chief Financial Officer, resignation upon dismissal by DONG Energy results in the payment of salary equalling 24 months' pay.~~

Approved at the General Meeting of DONG Energy A/S on ~~.....~~ 2011-20 February 2014.

**Appendix 2 to Extraordinary General Meeting in DONG Energy A/S on 20 February 2014 - Recommendations from the Nomination Committee of DONG Energy A/S (Item 11 on the Agenda)**

5 February 2014

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

In 2008 DONG Energy A/S appointed a Nomination Committee. The Nomination Committee is to assess the composition of the Board of Directors and to present recommendations to the General Meeting about the election of board members elected by the General Meeting.

On 20 February 2014 an Extraordinary General Meeting in DONG Energy A/S is expected to adopt the planned capital increase in DONG Energy A/S, whereby funds managed by the Merchant Banking Division of Goldman Sachs (Goldman Sachs) and the Danish pension funds, Arbejdsmarkedets Tillægspension and PFA Pension, Forsikringsaktieselskab, together with four of the existing minority shareholders, SEAS-NVE Holding A/S, SYD ENERGI Net A/S (through SYD ENERGI a.m.b.a.), Insero Horsens and Nyfors Entreprise A/S, will invest a total of up to DKK 13,050 million in DONG Energy A/S by subscribing for new shares.

There is a vacant place on the Board of Directors following Lars Nørby Johansen's resignation in April 2013. With regard to the Extraordinary General Meeting the Nomination Committee has discussed the composition of the Board of Directors.

The Nomination Committee recommends

1. Election of eight members elected by the General Meeting.
2. The vacant place on the Board of Directors is to be filled by Martin Hintze (Managing Director, Merchant Banking Division (Europe), Goldman Sachs).

Please see the enclosed appendix for information about the recommended person's executive functions in other enterprises - apart from wholly-owned subsidiaries in the DONG Energy Group.

Skærbæk, 5 February 2014

On behalf of the Nomination Committee

Fritz H. Schur

(Chairman)





**Information about the recommended person's executive functions in other enterprises - apart from wholly-owned subsidiaries in the DONG Energy Group:**

**Martin Hintze**

Managing Director, Merchant Banking Division (Europe), Goldman Sachs.

Member of Supervisory Board: KION Group AG, LEG Immobilien AG.

Member of Management Board: Xella International Holding S.a.r.l

Member of Group Advisory Board: CEONA Pte Ltd.

## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S AS LAST AMENDED ON 20 FEBRUARY 2014

- 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 [amount] 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 107.2486831 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 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 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.
  - 4.7 The following shall apply to any increase of the share capital pursuant to articles 4.2, 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, (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 The Board of Directors shall decide on the further conditions for effecting the capital increases pursuant to the authorisations in articles 4.2, 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, 4.4, 4.5 and 4.6 to increase the share capital are exercised.
- 5 SHARES AND REGISTER OF OWNERS
  - 5.1 The shares of the Company shall be issued to named holders and shall be registered by name in the Company's register of owners.
  - 5.2 The Company's shares are negotiable instruments. No restrictions apply to the transferability of the shares.
  - 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

## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S

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 No shareholder shall be under an obligation to let its shares be redeemed in full or in part.
- 5.6 The shares are registered with VP Securities A/S and are subject to 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 The Company's register of owners is maintained by the capital company registered under CVR No. 27088899.
- 6 GENERAL MEETINGS, NOTICE, TIME AND PLACE
- 6.1 The general meeting is the supreme authority of the Company.
- 6.2 General meetings are held as directed by the Board of Directors at the registered office of the Company or in Copenhagen.
- 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.
- 6.4 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.
- 6.5 Extraordinary general meetings shall be held when required by the Board of Directors or one of the Company's auditors. Furthermore, extraordinary general meetings for the purpose of transacting specific business shall be convened not later than 2 weeks after a shareholder holding at least 5 per cent of the share capital having so requested in writing. The 2-week period shall run from the date of the Company's receipt of the shareholder's written request for the extraordinary general meeting.
- 6.6 General meetings shall be convened by the Board of Directors not later than 2 weeks and not earlier than 4 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.
- 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.

- 6.8 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 GENERAL MEETINGS; 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 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 later than 6 weeks prior to the annual general meeting, the shareholder is entitled to have the proposed item included in the agenda for the general meeting in question.
- 7.2 The audited annual report shall be presented at the annual general meeting. 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 resolution for ratification of the acts of the Board of Directors and the Executive Board.
  4. A resolution 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.
- 7.3 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.
- 7.4 Minutes of the proceedings at general meetings are recorded in a minute book authorised by the Board of Directors and signed by

## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S

the chairman of the meeting and the chairman of the Board of Directors.

7.5 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) other than by limitations that are due to the interests of the Company, the shareholders and any creditors and by limitations prescribed by legislation in general.

7.6 At the extraordinary general meeting on 20 February 2014 the general meeting resolved to adopt a remuneration policy for the Company's Board of Directors and Executive Board. The remuneration policy has been published on the Company's website.

### 8 ATTENDANCE AND VOTING RIGHTS AT GENERAL MEETINGS

8.1 A shareholder is entitled to attend general meetings in person or by proxy and in both cases accompanied by an adviser. The proxy shall be in writing and be dated. No proxy issued to the Company's Board of Directors or Executive Board may be granted for a period of more than 12 months and shall be granted to a specific general meeting with an agenda known in advance.

8.2 Each share amount of a nominal value of DKK 10 carries one vote.

8.3 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. The general meeting forms a quorum if at least 50% of the share capital is represented at the general meeting. If such proportion of the share capital is not represented 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 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. 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 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 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 general meeting and the 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 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. Members of the Executive Board may not 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 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 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 employee representatives, by an alternate.

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

10.8 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 shall be submitted at each board meeting. Each entry in the auditor's records 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.

## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S

- 10.11 The Board of Directors represented by its chairman may, as long as the Kingdom of Denmark is the Company's majority shareholder, disclose confidential information to the minister representing the Kingdom of Denmark as shareholder, always provided that such disclosure is in compliance with legislation and in the interests of the Company.
- 10.12 The remuneration of the members of the Board of Directors is determined by the shareholders in general meeting.
- 10.13 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. The Board of Directors may grant powers of procuration.
- 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 of the Company shall be entitled to appoint one 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 bound in legal transactions by the joint signatures of the chairman of the Board of Directors and the deputy chairman of the Board of Directors or a member of the Executive Board registered with the Danish Business Authority or by the joint signatures of the chairman of the Board of Directors or the deputy chairman of the Board of Directors and two members of the Board of Directors.
- 14 NATURAL GAS INFRASTRUCTURE
- 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 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 or legal persons controlled by the Kingdom of Denmark.
- 14.2 Notwithstanding article 14.1, the Board of Directors may resolve to transfer the natural gas infrastructure 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 in question be transferred back to the Company or to another subsidiary wholly owned by the Company.
- 15 AUDIT
- 15.1 The 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. Auditors are appointed for terms of one year. Retiring auditors 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 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.

## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S

### 17 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, including complete proposals for amendments to the Articles of Association, agendas, annual reports, interim financial reports, minutes of general meetings as well as any other general information provided by the Company to its shareholders via e-mail.
- 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 on the requirements for the systems used and on the procedure in connection with electronic communication.

Adopted at the Extraordinary General Meeting held on 20 February 2014

## ARTICLES OF ASSOCIATION OF DONG ENERGY A/S

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

### Natural Gas Infrastructure

The natural gas infrastructure covered by article 14.1 of the Articles of Association is the following natural gas infrastructure 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 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 any obligations related thereto. Agreements on purchase and sale of natural gas are not covered by the term "Natural Gas Infrastructure."

Any extensions to or modifications of the said natural gas infrastructure are also natural gas infrastructure 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 may, subject to the consent of the Kingdom of Denmark, be made in the form of share transfers. The Kingdom of Denmark will not unreasonably withhold its consent.

**DONG Energy A/S**  
Proxy Form

**Extraordinary General Meeting in DONG Energy A/S, Thursday, 20 February 2014 at 10:30 am at  
Nesa Allé 1, DK-2820 Gentofte**

I hereby appoint a proxy for the extraordinary general meeting of DONG Energy A/S ("Company") to be held Thursday, 20 February 2014 at 10:30 am:

Please tick the box (A), (B) or (C):

A  I appoint as my proxy a named third party: \_\_\_\_\_  
Name and address of proxy (BLOCK LETTERS)

Or

B  I appoint as my proxy the Chairman of the Board of Directors of the Company, or a substitute duly appointed by him, to vote in accordance with the board recommendations as set out in the table below.

Or

C  I appoint as my proxy the Chairman of the Board of Directors of the Company, or a substitute duly appointed by him, to vote as indicated with an X in the table below.

Please mark the boxes "For", "Against" or "Abstain" to indicate how you want your votes to be cast.

Agenda items (The full agenda is set out in the notice with exhibits convening the extraordinary general meeting)	For	Against	Abstain	Board recommendation
1 Proposal to remove article 18 of the Company's articles of association pursuant to which any transfer or other method of assignment of the shares is subject to the written consent of the Danish Minister of Finance and proposal for amendment of article 5.2 in consequence of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FOR
2 Proposal to increase the Company's share capital at market price with a minimum of nominally DKK 932,412,380 and up to nominally DKK 1,216,762,240, from nominally DKK 2,937,099,000 to a total of minimum nominally DKK 3,869,511,380 and up to nominally DKK 4,153,861,240 by cash payment as a directed issue without pre-emptive subscription rights for the existing shareholders, including the proposal for amendment of the Company's articles of association in accordance therewith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FOR
3 Proposal to authorise the Board of Directors until 19 February 2019 to increase the share capital of the Company at market price on one or several occasions by up to nominally DKK 490,000,000 by way of conversion of debt in exchange for issuance of compensation shares pursuant to the Investment Agreement dated 29 November 2013 without pre-emptive rights for the existing shareholders, including the proposal for amendment of the Company's articles of association in accordance therewith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FOR
4 Proposal to authorise the Board of Directors until 31 December 2014 to increase the share capital of the Company at a subscription price per share of DKK 107.2486831 on one or several occasions 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 without pre-emptive rights for the existing shareholders, including the proposal for amendment of the Company's articles of association in accordance therewith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FOR
5 Proposal to authorise the Board of Directors until 31 December 2014 to increase the share capital of the Company at a subscription price per share of DKK 80.4365124 on one or several occasions by up to nominally DKK 22,131,740 by cash payment in exchange for issuance of	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FOR



	shares to employees in the Company and a number of its (directly and/or indirectly) wholly owned subsidiaries without pre-emptive rights for the existing shareholders, including the proposal for amendment of the Company's articles of association in accordance therewith				
6	Proposal to authorise the Board of Directors until 19 February 2019 to increase the share capital of the Company on one or several occasions by up to nominally DKK 51,849,130 by issuance of bonus shares to employees, including executive employees and leaders, in the Company and a number of its (directly and/or indirectly) wholly owned subsidiaries without pre-emptive rights for the existing shareholders, including the proposal for amendment of the Company's articles of association in accordance therewith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FOR
7	Proposal to authorise the Board of Directors until 19 February 2019 to let the Company acquire treasury shares for ownership as well as pledge up to a maximum aggregate nominal value totalling 10% of the Company's share capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FOR
8	Proposal for amendments to the Company's remuneration policy for the Board of Directors and Executive Board, including the proposal for amendment of the Company's articles of association in connection therewith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FOR
9	Proposal to authorise the Board of Directors to appoint one or more observers with the right to participate and speak at meetings of the Board of Directors and at any committee thereof, including the proposal for amendment of the Company's articles of association in accordance therewith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FOR
10	Proposal to change the Company's corporate language into English, including the proposal for amendment of the Company's articles of association in accordance therewith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FOR
11	Proposal for election of a new member to the Board of Directors				
	a. Number of board members elected by the general meeting - 8	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FOR
	b. Election of Martin Hintze	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	FOR
12	Authorisation of the Board of Directors (with full right of substitution) in respect of filing and registration of the adopted resolutions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FOR

If you only date and sign this proxy form, the proxy will be deemed to be given to the Board of Directors to vote in accordance with the board recommendations as set out in the table above.

The proxy will apply to all business transacted at the extraordinary general meeting.

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Signature

The Company must receive the proxy form no later than Wednesday 19 February 2014 at 11:59 pm either by sending the form to the Company Nesa Allé 1, DK-2820 Gentofte, fax no. +45 99 55 00 11 or via e-mail to ULJAR@dongenergy.dk. The proxy form is also available on the website of the Company, www.dongenergy.com.

**STATEMENT OF THE BOARD OF DIRECTORS**

DONG ENERGY A/S

**STATEMENT OF THE BOARD OF DIRECTORS**

PURSUANT TO SECTION 156(2) NO. 2 OF THE DANISH COMPANIES ACT

DONG ENERGY A/S

(CVR no.: 36 21 37 28)

This report is submitted pursuant to section 156(2) no. 2 of the Danish Companies Act in connection with

1 proposal at the extraordinary general meeting to be held on 20 February 2014 to increase the share capital with the following amounts:

1.1 Proposal from the Board of Directors to increase the Company's share capital at market price with a minimum of nominally DKK 932,412,380 and up to nominally DKK 1,216,762,240, from nominally DKK 2,937,099,000 to a total of minimum nominally DKK 3,869,511,380 and up to nominally DKK 4,153,861,240 by cash payment as a directed issue without pre-emptive subscription rights for the existing shareholders, including the proposal for amendment of the Company's articles of association in accordance therewith; and

2 proposals at the board meeting to be held on 20 February 2014 to increase the share capital with the following amounts<sup>1</sup>:

2.1 Proposal to increase the share capital of the Company at market price with a minimum of nominally DKK 10 and up to nominally DKK 19,347,560, from nominally DKK 4,153,861,240 to a total of minimum nominally DKK 4,153,861,250 and up to nominally DKK 4,173,208,800 by cash payment in exchange for issuance of shares to executive employees and leaders, of the Company and a number of its wholly owned subsidiaries without pre-emptive rights for the existing shareholders, including the proposal to amend the articles of association in accordance therewith, and

2.2 Proposal to increase the share capital of the Company at a price lower than market price with a minimum of nominally DKK 10 and up to nominally DKK

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<sup>1</sup> NOTE: The amounts of nominal share capital before and after the capital increases mentioned under item 2 are based on the assumption that the capital increase under item 1 is fully subscribed for.

22,131,740, from nominally DKK 4,173,208,800 to a total of minimum nominally DKK 4,173,208,810 and up to nominally DKK 4,195,340,540 by cash payment in exchange for issuance of shares to employees of the Company and a number of its wholly owned subsidiaries without pre-emptive rights for the existing shareholders, including the proposal to amend the articles of association in accordance therewith.

The Board of Directors states that since the adoption of the Company's annual report at the ordinary general meeting on 22 April 2013 no events of material importance to the position of the Company have occurred, except for events mentioned in the Company's company announcements published in the period 22 April 2013 - 5 February 2014 available at the Company's webpage [www.dongenergy.com](http://www.dongenergy.com).

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Date: 5 February 2014

The Board of Directors:

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Fritz Henrik Schur (Chairman)

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Jakob Brogaard

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Mogens Vinther

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Jørn Peter Jensen

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Poul Arne Nielsen

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Pia Gjellerup

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Benny Dalgaard Loft

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Hanne Sten Andersen

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Jytte Koed Madsen

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Benny Gøbel

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Jens Nybo Sørensen





## **Erklæring afgivet af uafhængig revisor**

Til aktionærene i DONG Energy A/S Virksomhed, CVR-nr. 36 21 37 28

Vi har med henvisning til selskabslovens § 156, stk. 2, nr. 3, udført en undersøgelse af den i bestyrelsens beretning af 5. februar 2014 indeholdte redegørelse om begivenheder af væsentlig betydning for DONG Energy A/S's ("Selskabets") finansielle stilling, indtruffet i tiden siden godkendelse af Selskabets Årsrapport for 2012 på den ordinære generalforsamling den 22. april 2013 til 5. februar 2014. Bestyrelsens beretning, der vedhæftes denne erklæring, er afgivet efter reglerne i selskabslovens § 156, stk. 2, nr. 2, i forbindelse med forslag på den ekstraordinære generalforsamling den 20. februar 2014 om at forhøje aktiekapitalen med følgende beløb:

1. Forslag fra bestyrelsen om kontant forhøjelse af Selskabets aktiekapital til markedskurs med minimum nominelt DKK 932.412.380 og op til nominelt DKK 1.216.762.240, fra nominelt DKK 2.937.099.000 til i alt minimum nominelt DKK 3.869.511.380 og op til nominelt DKK 4.153.861.240 ved en rettet emission uden fortegningsret for de eksisterende aktionærer; og
2. Forslag på bestyrelsesmøde den 20. februar 2014 om at forhøje aktiekapitalen med følgende beløb:
  - Forslag om kontant forhøjelse af Selskabets aktiekapital til markedskurs med minimum nominelt DKK 10 og op til nominelt DKK 19.347.560, fra nominelt DKK 4.153.861.240 til i alt minimum nominelt DKK 4.153.861.250 og op til nominelt DKK 4.173.208.800 mod udstedelse af aktier til en række ledende medarbejdere i Selskabet og et antal af dets helejede datterselskaber uden fortegningsret for de eksisterende aktionærer; og
  - Forslag om kontant forhøjelse af Selskabets aktiekapital til favørkurs med minimum nominelt DKK 10 og op til nominelt DKK 22.131.740, fra nominelt DKK 4.173.208.800 til i alt minimum nominelt DKK 4.173.208.810 og op til nominelt DKK 4.195.340.540 mod udstedelse af aktier til medarbejdere i Selskabet og et antal af dets helejede datterselskaber uden fortegningsret for de eksisterende aktionærer.

Bestyrelsen har ansvaret for den aflagte beretning. Det er vores ansvar på grundlag af den udførte gennemgang at udtale os om beretningens redegørelse om begivenheder af væsentlig betydning for Selskabets finansielle stilling.

<sup>1</sup> Værdier for nominel aktiekapital før og efter kapitalforhøjelserne nævnt i punkt 2 er baseret på en forudsætning om, at kapitalforhøjelsen under punkt 1 bliver fuldtægt.



### *Det udførte arbejde*

Vi har udført vores arbejde i overensstemmelse med den internationale standard om andre erklæringsopgaver med sikkerhed og yderligere krav ifølge dansk revisorlovgivning med henblik på at opnå begrænset sikkerhed for, at redegørelsen ikke indeholder væsentlig fejlinformation. Den opnåede sikkerhed er begrænset, idet vores arbejde i forhold til en opgave med høj grad af sikkerhed har været begrænset til først og fremmest at omfatte forespørgsler til Selskabets ledelse og medarbejdere samt analytiske handlinger. Vi har undersøgt oplysningerne af finansiell karakter i bestyrelsens beretning og vurderet disse i forhold til Årsrapporten for 2013 som er behandlet og godkendt af bestyrelsen og direktionen på bestyrelsesmøde den 5. februar 2014, samt drøftet beretningens oplysninger med Selskabets ledelse.

Det er vores opfattelse, at det udførte arbejde giver et tilstrækkeligt grundlag for vores konklusion.

### *Konklusion*

Under vores arbejde er vi ikke blevet bekendt med forhold, der giver os anledning til at konkludere, at den i bestyrelsens beretning indeholdte redegørelse om begivenheder af væsentlig betydning for Selskabets finansielle stilling, indtruffet i tiden siden godkendelse af Selskabets Årsrapport for 2012 på den ordinære generalforsamling den 22. april 2013 til 5. februar 2014, ikke er i overensstemmelse med kravene i selskabslovens § 156, stk. 2, nr. 2.

København, den 5. februar 2014

**PricewaterhouseCoopers**  
Statsautoriseret Revisionspartnerselskab

Fin T. Nielsen  
statsautoriseret revisor

Mogens Nørgaard Mogensen  
statsautoriseret revisor