

**TERMS OF REFERENCE**

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## **Demant A/S IT Security Committee**

### **Terms of reference**

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The Board of Directors has decided to set up an IT Security Committee.

#### **Objective and duties**

- The IT Security Committee is a committee under the Board of Directors whose objective is to review Demant's IT Security strategy as well as to roadmap and annually assess compliance with the current strategy.
- The IT Security Committee has the following areas of responsibility:
  - to recommend changes to the IT Security strategy to the Board of Directors,
  - to review the progress in the IT Security roadmap and
  - to ensure that roadmap activities are adequately funded and reflected in annual plans.
- The IT Security Committee is subject to the same confidentiality and non-disclosure provisions as the Board of Directors.

#### **Committee members**

- The IT Security Committee is composed of two to three members of the Board, one of them being the Chairman of the Audit Committee.
- The Board of Directors appoints the Chairman of the IT Security Committee.

#### **Committee meetings**

- Meetings are held as often as deemed necessary by the Chairman, however, at least three times a year.
- The Chairman may decide to invite other persons to attend Committee meetings.
- Minutes are taken of each meeting in the Committee.

#### **Remuneration**

- The Committee members do not receive separate remuneration for their Committee work.

#### **Reporting to the Board of Directors**

- At Board meetings in the Company, the Chairman shall report back to the Board of Directors about activities in and decisions by the Committee.

#### **Amendments to the terms of reference**

- Changes to these terms of reference can be adopted by the majority of Board members according to the Board's rules of procedure.