

## **INSTRUCTIONS TO THE NOMINATION COMMITTEE**

### **FJORDKRAFT HOLDING ASA**

(Resolved by the General Meeting on February 27th 2018)

#### **1. SCOPE AND CHANGE OF THE INSTRUCTIONS**

- 1.1 These instructions set out the operations of the nomination committee (the “**Nomination Committee**”) of Fjordkraft Holding ASA (the “**Company**”). The instructions shall be approved by the Company’s General Meeting, who shall have sole authority to amend these instructions.

#### **2. MANDATE**

- 2.1 The nomination committee shall present proposals to the General Meeting regarding election of the Chair of the Board, Board Members and any deputy members of the Board. The nomination committee shall also present proposals to the General Meeting for remuneration of the Board and any sub-committees of the Board.

#### **3. COMPOSITION, ELECTION AND REMUNERATION**

- 3.1 The Nomination Committee shall be elected by the General Meeting. At the outset, the Nomination Committee should consist of three members unless special circumstances suggest a different number of members.
- 3.2 The members of the Nomination Committee should be selected to take into account the interests of shareholders in general. The majority of the Nomination Committee should be independent of the Board and the executive management team. No more than one Board Member should serve on the Nomination Committee and only if such Board Member is not a candidate for re-election to the Board. Members of the executive management team should not be members of the Nomination Committee.
- 3.3 Members of the Nomination Committee are elected for a term of two years, but may be re-elected. The members may be removed or replaced at any time by a resolution of the General Meeting. In order to ensure continuity, a maximum of two members should be up for election at any time.
- 3.4 The Annual General Meeting stipulates the remuneration to be paid to the Nomination Committee. The Nomination Committee’s expenses shall be covered by the Company.

#### **4. PROCEDURES**

- 4.1 Meetings of the Nomination Committee shall be convened by the Chair of the Committee. Each of the members of the Nomination Committee, as well as the Chair of the Board and the Company’s CEO, has the right to demand that a meeting be convened. The Chair of the Committee decides whether the meeting will take the form of a physical meeting, a telephone meeting or otherwise.
- 4.2 The Nomination Committee constitutes a quorum when half or more of the Committee’s members participate and all other members of the committee have

been given the opportunity to participate. In the case of an equal vote, the Chair shall have a casting vote.

- 4.3 Minutes shall be taken of the committee meetings. The minutes shall be signed by all participating members.
- 4.4 In its work, the Nomination Committee may contact shareholders, members of the Board, the management and external advisers. Shareholders should be given the opportunity to propose Board member candidates to the Nomination Committee. In carrying out its duties, the Nomination Committee should actively maintain contact with the shareholder community and should ensure that its recommendations are anchored with major shareholders. The Nomination Committee shall also give weight to the proposed candidates' experience, qualifications, and their capacity to serve as officers of the Company in a satisfactory manner. Emphasis must also be given to ensuring independence of the Board in relation to the Company. The Nomination Committee shall also strive to achieve an adequate representation of both genders on the Board. The Nomination Committee shall take into account all relevant statutory requirements regarding the composition of the Board.
- 4.5 The Nomination Committee's recommendations shall at all times satisfy the requirements relating to the composition of the Board laid down in applicable legislation and in the regulations of any regulated markets on which the Company's shares are listed. The Nomination Committee shall take into account the recommendations relating to the composition of the Board that follow from the Norwegian Code of Practice on Corporate Governance and any other relevant recommendations relating to corporate governance, as well as the principles laid down in the Company's Corporate Governance Policy.
- 4.6 Before recommending the proposed candidates, the Nomination Committee shall ask the candidates whether they are willing to serve as a Board Member. Only candidates who have confirmed that they are willing to take on such office shall be recommended.
- 4.7 The Nomination Committee shall justify its recommendations and provide relevant information about the candidates. Any dissenting votes shall be stated in the recommendation.
- 4.8 If the Board has prepared an evaluation of its work, the Nomination Committee shall examine such report, and take its contents into consideration when making recommendations.

## **5. PROCESSING OF THE NOMINATION COMMITTEE'S RECOMMENDATIONS**

- 5.1 The Nomination Committee's recommendation to the Annual General Meeting relating to the election of members and deputy members of the Board shall be available in time to be sent together with the notice of the General Meeting, thereby giving the shareholders an opportunity to submit their views on the recommendation to the Nomination Committee ahead of the meeting.

- 5.2 The Chair of the Committee, or a person authorized by the Chair, shall present the Committee's recommendations for the Annual General Meeting, and give an account of the reasons for its recommendations.

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