

Report and Proposals of Orrön Energy AB's Nomination Committee for the Annual General Meeting of Shareholders on 4 May 2023

The Nomination Committee of Orrön Energy AB (publ) (hereinafter "Orrön Energy" or the "Company") submits the following report for the Annual General Meeting ("AGM") of Orrön Energy to be held on 4 May 2023. The AGM will be in Stockholm combined with an option to vote by post in advance of the AGM.

1. Formation of the Nomination Committee

The Extraordinary General Meeting ("EGM") of Orrön Energy held on 16 June 2022 approved a revised Nomination Committee Process, with some minor amendments, which shall apply as the Company's nomination procedure generally for all general meetings, until recommended to be amended or replaced by a future Nomination Committee.

In respect of the 2023 AGM, the Chair of the Board of Directors shall invite three of the larger shareholders of the Company based on shareholdings as per 1 August 2022 to form a Nomination Committee. The names of the members of the Nomination Committee shall be announced no later than six months prior to the 2023 AGM. If the shareholding in the Company changes significantly before the Nomination Committee's work is completed, or if a member leaves the Nomination Committee before its work has been completed, a change in the composition of the Nomination Committee may take place. The Nomination Committee shall remain in office until the publication of the composition of the Nomination Committee for the 2024 AGM. The Nomination Committee shall appoint its Chairman within the Nomination Committee.

The Nomination Committee shall prepare the following proposals for resolutions to the 2023 AGM:

- (i) Chair of the AGM;
- (ii) number of members of the Board of Directors;
- (iii) Chair of the Board of Directors;
- (iv) members of the Board of Directors;
- (v) remuneration of the members of the Board of Directors, distinguishing between the Chair and the other members of the Board of Directors and remuneration for Committee work;
- (vi) election of auditor of the Company;
- (vii) remuneration of auditor of the Company; and
- (viii) Nomination Committee Process (in case of amendment).

On 4 October 2022, the Nomination Committee for the 2023 AGM was formed with the following members: Ian H. Lundin (Nemesia Sàrl), Oskar Börjesson (Livförsäkringsbolaget Skandia, ömsesidigt), Mikael A. Pettersson (Dita Invest Holding AB) and Grace Reksten Skaugen (Chair of the Board of Directors). Ian H. Lundin was unanimously elected as Chairman of the Nomination Committee. The Nomination Committee members were appointed by shareholders holding as per 1 August 2022 approximately 34.8 percent of the shares and voting rights in Orrön Energy. The Nomination Committee meets the requirements of the Swedish Code of Corporate Governance (hereinafter the "Code"). Other larger shareholders of the Company were invited to join the Nomination Committee but declined the invitation.

The formation of the Nomination Committee was announced through a press release issued on 4 October 2022. The press release contained information on how shareholders could submit proposals to the Nomination Committee. No proposals were received.

2. The work of the Nomination Committee

The Nomination Committee met on three occasions and had informal contacts in between meetings. The Nomination Committee received information from the Chair of the Board of Directors on the work and functioning of the Board of Directors. The Nomination Committee also reviewed the results of an evaluation of the Board of Directors' work carried out during the fall of 2022 through an on-line survey, and reviewed external benchmarks in respect of Board remuneration. Oskar Börjesson and Mikael A. Pettersson met with the current Chair of the Board of Directors Grace Reksten Skaugen to discuss the work and functioning of the Board of Directors, and the feedback received was positive. The overall impressions concurred with the results of the Board evaluation that had been conducted, notably that the Board of Directors is well functioning and collaborates efficiently with a good balance of experience and expertise. Oskar Börjesson and Mikael A. Pettersson also met with the two proposed new Board members.

In the course of its work, the Nomination Committee applied the diversity policy as set out in rule 4.1 of the Code: *“The board is to have a composition appropriate to the company's operations, phase of development and other relevant circumstances. The board members elected by the shareholders' meeting are collectively to exhibit diversity and breadth of qualifications, experience and background. The company is to strive for gender balance on the board.”*

The Nomination Committee believes that it is necessary to assess the breadth and versatility of the Board of Directors. As part of that assessment, the Committee discussed in detail the composition and qualifications of the proposed Board members and considered and discussed the desired attributes, including considerations of qualifications, experience and gender distribution, in relation to the new focus of the Company within the renewable energy and the energy transition sector.

3. Election of Chairman for the 2023 AGM

The Nomination Committee proposes that Klaes Edhall, a member of the Swedish Bar Association, be appointed as the Chairman of the AGM, or, if he is absent, any other person appointed by the Nomination Committee. Klaes Edhall served as the Chairman of the Company's 2014 to 2022 AGMs, as well as several EGMs, and has also served as the Chairman at the AGMs of several other listed Swedish companies.

4. Reasoned statement regarding the proposal for election of the Board of Directors

4.1 Number of Board members

Noting that a Board of Directors consisting of five Board members has functioned well since 30 June 2022 and the qualifications of the proposed Board members, it was considered appropriate to retain the current number of members of the Board of Directors. Accordingly, the Nomination Committee proposes that five members of the Board of Directors be elected at the AGM.

4.2 Proposed Board members

The Nomination Committee proposes the re-election of Grace Reksten Skaugen, C. Ashley Heppenstall and Jakob Thomassen, and the election of Peggy Bruzelius and William Lundin, for a term until the 2024 AGM, and that no deputy members be elected. The Nomination Committee further proposes the re-election of Grace Reksten Skaugen as Chair of the Board of Directors.

Peggy Bruzelius was a Board member of the Company from the 2013 AGM until 30 June 2022, during its legacy oil and gas business. Ms. Bruzelius holds a Master of Science (Economics and Business) and an Honorary Doctorate in Economics from the Stockholm School of Economics. Ms. Bruzelius was formerly Managing Director of ABB Financial Services AB and has headed the asset management division of Skandinaviska Enskilda Banken AB. Ms. Bruzelius has held numerous public company Board positions and is currently Chair of Lancelot Holding AB and a Board member of IAG, the parent company of British Airways, Iberia, Air Lingus et al.

William Lundin is a member of the Lundin family and holds a degree in Mineral Resource Engineering from Dalhousie University. Mr. Lundin has extensive experience from the natural resource industry through exposure to several Lundin Group companies and is a registered professional engineer in Canada. Mr. Lundin currently works as the Chief Operating Officer of International Petroleum Corp. and has previously held positions with BlackPearl Resources Inc., Lundin Mining Corporation and Denison Mines Corp. Mr. Lundin is currently a director of ShaMaran Petroleum Corp. and Filo Mining Corp., and Chairman of the Board of Africa Energy Corp.

4.3 Qualifications of Board members

It is the opinion of the Nomination Committee, taking into consideration the Company's planned future business and operations, and the economic and financial circumstances generally in which the Company operates, that the proposed Board of Directors is composed of a broad and versatile group of knowledgeable and skilled individuals who are motivated and prepared to undertake the tasks required of the Board of Directors in today's business environment. The proposed members possess, in the opinion of the Committee, substantial expertise and experience and in addition, the proposed Board of Directors will fulfil the requirements regarding independence in relation to the Company, Group management and the Company's major shareholders (see further below). Such expertise and experience relates to the Company's core area of operation in the renewable energy sector, public company financial matters, Swedish practice and compliance matters, sustainability matters, corporate responsibility and health, safety and the environment.

If the Committee's proposal regarding the composition of the Board of Directors is accepted by the AGM, the Board of Directors will consist of five members, out of which two women, i.e. 40 percent of the Board members will be women, which is in-line with the recommendation of the Swedish Corporate Governance Board. Further information regarding the proposed members of the Board of Directors is included in [Annex 1](#).

5 Remuneration of the members of the Board of Directors, the Chair of the Board of Directors and remuneration for Committee work

5.1 Board fees

The Nomination Committee considered the fees to be paid to the members of the Board of Directors, including in respect of Board Committee work, and to the Chair of the Board of Directors. The Nomination

Committee noted that the Company has two Board Committees, being the Compensation Committee and the Audit Committee.

The Nomination Committee considered in detail for the 2022 EGM the Board fees in view of the Company's reduced scope of business and new focus on renewable energy and the energy transition. The Nomination Committee believes that the fees remain appropriate and reasonable given the size, nature and complexity of the Company's business and the growth phase of the Company. The fees are therefore proposed to remain unchanged. The Nomination Committee also believes for similar reasons that the fees for Committee work are appropriate and reasonable, and proposes that these fees shall also remain unchanged. The Nomination Committee therefore proposes that the remuneration of the members of the Board of Directors, the Chair of the Board of Directors and fees for Committee work and Committee Chairs, be as follows:

- (i) annual fees of the members of the Board of Directors of EUR 60,000 (excluding the Chair of the Board of Directors);
- (ii) annual fees of the Chair of the Board of Directors of EUR 120,000;
- (iii) annual fees for Committee members of EUR 5,000 per Committee assignment (other than Committee Chairs); and
- (iv) annual fees for Committee Chairs of EUR 10,000.

The total remuneration for Committee work, including remuneration to Committee Chairs, thus amounts to EUR 40,000 based on the proposed composition of the Committees. The Nomination Committee considers that it should be possible to elect further Committee members and the total annual remuneration for Committee work shall therefore not exceed EUR 50,000, corresponding to remuneration for two additional Committee members.

5.2 Long-term Incentive Plan

The 2022 EGM approved a one-off long-term incentive plan for Board members, which is subject to a three year vesting period. The Nomination Committee notes that whilst option awards would terminate in case of discontinued Board engagement, the Nomination Committee may make individual exceptions at its sole discretion as per the plan rules. The Nomination Committee considered that Aksel Azrac, who is being replaced by William Lundin as a Lundin family representative on the Board of Directors, should be considered as a so-called "good leaver" and shall therefore be entitled to maintain 1/3 of the options awarded to him, whilst 2/3 of the options shall terminate, subject otherwise to all applicable terms and conditions of the plan.

6. Independence of the members of the Board of Directors

According to the Code, a majority of the members of the Board of Directors elected by the shareholders' meeting are to be independent of the Company and Group management. In addition, at least two of the members of the Board of Directors who are independent of the Company and Group management are also to be independent of the Company's major shareholders.

It is the opinion of the Nomination Committee that all of the proposed members of the Board of Directors shall be considered independent of the Company and Group management.

With respect to independence of the Company's major shareholders, it is the opinion of the Nomination Committee that William Lundin, a Lundin family member, is not independent. It is the opinion of the Nomination Committee that Grace Reksten Skaugen, Peggy Bruzelius, C. Ashley Heppenstall and Jakob Thomassen are independent of the Company's major shareholders.

7. Auditor fees and election of auditor

The Nomination Committee proposes that, as in previous years, the payment of auditor's fees shall be made upon approval of their invoice. The Nomination Committee proposes that Ernst & Young AB, which intends to appoint authorised public accountant Anders Kriström as the auditor in charge, be re-elected for a period until the end of the 2024 Annual General Meeting. The proposal regarding the election of auditor was recommended to the Nomination Committee by the Company's Audit Committee.

8. Nomination Committee Process

The Nomination Committee reviewed the Nomination Committee Process approved at the 2022 EGM and concluded that a change in the required membership shall be proposed to exclude the compulsory participation of the Chair of the Board. The Nomination Committee therefore proposes an updated Nomination Committee Process for approval at the 2023 AGM, as included in [Annex 2](#) and [Annex 3](#) (mark-up), to be adopted as the Company's nomination procedure generally for all General Meetings, until recommended to be amended or replaced by a future General Meeting.

The Nomination Committee's complete proposal for resolutions by the Annual General Meeting of Orrön Energy AB (publ) on 4 May 2023

- Advokat Klaes Edhall to be appointed as Chairman of the Annual General Meeting, or, if he is absent, any other person appointed by the Nomination Committee.
- Five members of the Board of Directors to be appointed without deputy members.
- Remuneration of the members of the Board of Directors and the Chair of the Board of Directors, including in respect of Committee membership, to be as follows: (i) annual fees of the members of the Board of Directors of EUR 60,000 (excluding the Chair of the Board of Directors); (ii) annual fees of the Chair of the Board of Directors of EUR 120,000; (iii) annual fees for Committee members of EUR 5,000 per Committee assignment (other than Committee Chairs); (iv) annual fees for Committee Chairs of EUR 10,000; with the total fees for Committee work, including Committee Chairs, not to exceed EUR 50,000.
- Re-election of C. Ashley Heppenstall, Grace Reksten Skaugen and Jakob Thomasen and election of Peggy Bruzelius and William Lundin as members of the Board of Directors for a term until the end of the 2024 Annual General Meeting.
- Re-election of Grace Reksten Skaugen as Chair of the Board of Directors.
- The auditor's fees shall be payable upon approval of their invoice.
- Re-election of the registered accounting firm Ernst & Young AB as the auditor of the Company, which intends to appoint authorised public accountant Anders Kriström as the auditor in charge, for a period until the end of the 2024 Annual General Meeting.
- The Nomination Committee Process for future General Meetings shall follow the Nomination Committee Process in Annex 2.

Stockholm, March 2023

Ian H. Lundin

Chairman

Oskar Börjesson

Mikael A. Pettersson

Grace Reksten Skaugen

Chair of the Board of Directors

Board of Directors:	C. Ashley Heppenstall	Grace Reksten Skaugen	Jakob Thomasen	Peggy Bruzelius	William Lundin
Function	Director, elected 2001 Born 1962 Audit Committee chair Compensation Committee member	Chair, elected 2015 Born 1953 Compensation Committee chair	Director, elected 2017 Born 1962 Audit Committee member	Proposed Director Born 1949	Proposed Director Born 1993
Education	B.Sc. Mathematics from the University of Durham.	MBA from the BI Norwegian School of Management, Ph.D. Laser Physics and B.Sc. Honours Physics from Imperial College of Science and Technology at the University of London.	Graduate of the University of Copenhagen, Denmark, M.Sc. in Geoscience and completed the Advanced Strategic Management programme at IMD, Switzerland.	M.Sc. Economics and Business from the Stockholm School of Economics Econ dr hc from the Stockholm School of Economics	Bachelor of Engineering in Mineral Resource Engineering, Halifax, Canada.
Experience	Various positions within Lundin related companies since 1993. CFO of Lundin Oil 1998–2001. CFO of Lundin Petroleum 2001–2002. CEO of Lundin Petroleum 2002–2015.	Former Director of Corporate Finance with SEB Enskilda Securities in Oslo. Board member/deputy chair of Statoil ASA 2002–2015. Member of HSBC European Senior Advisory Council.	Former CEO of Maersk Oil and a member of the Executive Board of the Maersk Group 2009–2016.	Managing Director of ABB Financial Services AB 1991 – 1997. Head of the asset management division of Skandinaviska Enskilda Banken AB 1997 – 1998.	COO of International Petroleum Corp. 2020 – present. Project Engineer Production Operations of International Petroleum Corp. 2018 – 2020. Field Operator of BlackPearl Resources Inc. 2016 - 2018
Other board duties	Chair of the Board of International Petroleum Corp. and member of the Board of Lundin Gold Inc., Lundin Mining Corp. and Aker BP ASA.	Chair of the Board of Euronav NV, member of the Board of Investor AB, Panoro Energy and PJT Partners, founder and Board member of the Norwegian Institute of Directors, trustee and council member of the International Institute for Strategic Studies in London.	Chair of the DHI Group, ESVAGT, RelyOn Nutec and Hovedstadens Letbane and member of the board of Arcadia eFuels.	Chair of the board of Lancelot Asset Management AB and member of the board of International Consolidated Airlines Group S.A.	Chair of the board of Africa Energy Corp, board member of ShaMaran Petroleum Corp., board member of Filo Mining Corp. and board member of Lundin Foundation.
Shares as at 31 December 2022	Nil ¹ and 201,000 Board LTIP 2022 options	1000 ² and 402,000 Board LTIP 2022 options	8,820 and 201,000 Board LTIP 2022 options	8,000	900,000 ³
Independent of the Company and Group management	Yes	Yes	Yes	Yes	Yes
Independent of major shareholders	Yes	Yes	Yes	Yes	No ³

1 C. Ashley Heppenstall holds 1,869,535 shares in Orrön Energy AB through an investment company, Rojafi.

2 Grace Reksten Skaugen holds 50,000 shares in Orrön Energy AB through an investment company, Infovidi Ltd.

3 William Lundin is in the Nomination Committee's and the Company's opinion not deemed independent of the Company's major shareholder as William Lundin is a member of the Lundin family that holds, through family trusts, Nemesia S.å.r.l., which holds 95,478,606 shares in the Company.

NOMINATION COMMITTEE PROCESS

1. General

- 1.1 As per the Swedish Code of Corporate Governance (Code of Governance), the Company shall each year appoint a Nomination Committee which shall have as its sole task to propose decisions to the Annual General Meeting (AGM) on electoral and remuneration issues, and procedural issue for the appointment of the Nomination Committee for the following year.
- 1.2 The AGM shall either appoint the members of the Nomination Committee or specify how they are to be appointed. This Nomination Committee Process shall apply as the Company's nomination procedure generally for all AGMs, until recommended to be amended or replaced by a future Nomination Committee, to specify how the Nomination Committee is to be appointed and to instruct the Nomination Committee on how it is to conduct its work.
- 1.3 References herein to AGMs shall apply *mutatis mutandis* to Extraordinary General Meetings where elections of the Board of Directors and/or the auditor are to take place.

2. Appointment of the Nomination Committee

- 2.1 The Chair of the Board of Directors shall invite three of the larger shareholders of the Company based on shareholdings as per 1 August of each year, provided such larger shareholders agree to participate, to form a Nomination Committee for the AGM of the following year. The Chair of the Board of Directors may be a member of the Nomination Committee. External members not appointed by a larger shareholder may also be invited to join the Nomination Committee to assist in and facilitate the work of the Nomination Committee.
- 2.2 The names of the members of the Nomination Committee shall be published on the Company's website no later than six months prior to the AGM of the following year. The names of the shareholders that the members were appointed by, if applicable, shall be included in the announcement, as well as information on how shareholders may submit recommendations to the Nomination Committee.
- 2.3 The mandate period of a Nomination Committee commences on the date its composition has been published as per article 2.2 and continues until the publication of the composition of the Nomination Committee for the following AGM.
- 2.4 The Chair of the Board of Directors shall convene the first meeting of each Nomination Committee, which is to be held in good time before the announcement of the composition of the Nomination Committee as per article 2.2. The Nomination Committee shall appoint a Chair at the first meeting.
- 2.5 If the shareholding in the Company changes significantly before the Nomination Committee's work has been completed, or if a member leaves the Nomination Committee before its work has been completed, a change in the composition of the Nomination Committee may take place. If the Nomination Committee then consists of appointees of less than three of the larger shareholders of the Company, the Chair of the Board shall, with the aim to increase the number of members to three, invite another larger shareholder to join the Nomination Committee. If a member ceases to be connected to a larger shareholder, due to termination of employment or similar, that larger shareholder may appoint another person to replace such member of the Nomination Committee. Information about changes to the composition of the Nomination Committee, as well as information about new members and the larger shareholders that they were appointed by, if applicable, shall be published on the Company's website as soon as possible after a change has occurred.

3. Duties of the Nomination Committee

- 3.1 The Nomination Committee shall prepare proposals for the following resolutions to the AGM:
- (i) Chair of the AGM;

- (ii) number of members of the Board of Directors;
- (iii) members of the Board of Directors;
- (iv) Chair of the Board of Directors;
- (v) remuneration of the members of the Board of Directors, distinguishing between the Chair and other members and remuneration for Board Committee work;
- (vi) election of auditor of the Company;
- (vii) remuneration of the Company's auditor; and
- (viii) Nomination Committee Process (in case of amendment).

3.2 The proposals of the Nomination Committee shall be presented to the Company in a written report in general at least eight weeks before the AGM to ensure the proposals can be duly included in the notice of the AGM. The Nomination Committee report shall in addition be posted on the Company's website at the same time as the notice of the AGM is issued.

3.3 As a basis for its proposals regarding the members of the Board of Directors, the Nomination Committee shall consider the requirements set forth in the Code of Governance to ensure that the Company's Board of Directors has a size and composition that enables it to manage the Company's affairs efficiently and with integrity.

3.4 In its written report, the Nomination Committee shall include a description of its work and considerations, as well as explanations regarding its proposals, in particular in respect of the following requirements regarding the composition of the Board of Directors:

- (i) candidates' age, principal education and work experience;
- (ii) any work performed by the candidates for the Company and other significant professional commitments;
- (iii) candidates' holdings of shares and other financial instruments in the Company and any such holdings owned by candidates' related natural or legal persons;
- (iv) whether the Nomination Committee deems the candidates to be independent of the Company and Group Management, as well as of major shareholders of the Company;
- (v) in case of re-election, the year that the candidates were first elected to the Board of Directors; and
- (vi) other information that could be of importance to shareholders to assess the candidates' expertise and independence.

3.5 If an election for auditor shall take place at the AGM, the proposal of the Nomination Committee shall be based on a report to be prepared by the Company's Audit Committee, which report shall include an assessment of the independence and impartiality of the proposed auditor, as well as of the implications of services provided to the Company by the proposed auditor outside the scope of general audit work, if applicable.

3.6 The Nomination Committee shall at each AGM give an account of its work and present its proposals for resolutions at the AGM. All members of the Nomination Committee shall endeavour to be present at each AGM.

4. Meetings of the Nomination Committee

4.1 The Nomination Committee shall meet as often as is required for the performance of its duties. A notice of a meeting shall be circulated by the Chair of the Nomination Committee in good time before each meeting, except as provided in article 2.4 in respect of the first meeting of each Nomination Committee. Any member of the Nomination Committee may reasonably request at any time during the mandate period that a meeting be convened and the Chair shall comply with such reasonable requests.

4.2 The Nomination Committee shall be quorate if more than half of the members are present.

4.3 The Nomination Committee shall endeavour to reach unanimous decisions in all matters to be proposed to the AGM. If a unanimous decision cannot be reached, the Nomination Committee shall present to the AGM the proposals approved by a majority of the members of the Nomination Committee and dissenting members may present their own proposals individually or jointly with other members of the Committee.

- 4.4 Meetings of the Nomination Committee shall be minuted and the minutes shall be signed by the person keeping the minutes and shall be attested by the Chair and another member appointed by the Nomination Committee. If the Chair has been assigned to keep the minutes, the minutes shall be attested by two other members appointed by the Nomination Committee.
- 5. Other**
- 5.1 All information which is provided to the members of the Nomination Committee by the Company and/or candidates, or which information the Nomination Committee members otherwise receive within the scope of their duties as Nomination Committee members, shall be treated as confidential and may not be disclosed to third parties without the prior approval of the Company.
- 5.2 No remuneration shall be paid to the members of the Nomination Committee. The Company may however cover reasonable out of pocket expenses that the members may occur in relation to work performed for the Nomination Committee.
- 5.3 The Nomination Committee shall yearly assess this Nomination Committee Process and shall propose changes to it to the AGM, as appropriate.

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NOMINATION COMMITTEE PROCESS

1. General

- 1.1 As per the Swedish Code of Corporate Governance (Code of Governance), the Company shall each year appoint a Nomination Committee which shall have as its sole task to propose decisions to the Annual General Meeting (AGM) on electoral and remuneration issues, and procedural issue for the appointment of the Nomination Committee for the following year.
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- 1.3 References herein to AGMs shall apply *mutatis mutandis* to Extraordinary General Meetings where elections of the Board of Directors and/or the auditor are to take place.

2. Appointment of the Nomination Committee

- 2.1 The Chair of the Board of Directors shall invite three of the larger shareholders of the Company based on shareholdings as per 1 August of each year, provided such larger shareholders agree to participate, to form a Nomination Committee for the AGM of the following year. The Chair of the Board of Directors shall also may be a member of the Nomination Committee. External members not appointed by a larger shareholder may also be invited to join the Nomination Committee to assist in and facilitate the work of the Nomination Committee.
- 2.2 The names of the members of the Nomination Committee shall be published on the Company's website no later than six months prior to the AGM of the following year. The names of the shareholders that the members were appointed by, if applicable, shall be included in the announcement, as well as information on how shareholders may submit recommendations to the Nomination Committee.
- 2.3 The mandate period of a Nomination Committee commences on the date its composition has been published as per article 2.2 and continues until the publication of the composition of the Nomination Committee for the following AGM.
- 2.4 The Chair of the Board of Directors shall convene the first meeting of each Nomination Committee, which is to be held in good time before the announcement of the composition of the Nomination Committee as per article 2.2. The Nomination Committee shall appoint a Chair at the first meeting.
- 2.5 If the shareholding in the Company changes significantly before the Nomination Committee's work has been completed, or if a member leaves the Nomination Committee before its work has been completed, a change in the composition of the Nomination Committee may take place. If the Nomination Committee then consists of appointees of less than three of the larger shareholders of the Company, the Chair of the Board shall, with the aim to increase the number of members to three, invite another larger shareholder to join the Nomination Committee. If a member ceases to be connected to a larger shareholder, due to termination of employment or similar, that larger shareholder may appoint another person to replace such member of the Nomination Committee. Information about changes to the composition of the Nomination Committee, as well as information about new members and the larger shareholders that they were appointed by, if applicable, shall be published on the Company's website as soon as possible after a change has occurred.

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3.4 In its written report, the Nomination Committee shall include a description of its work and considerations, as well as explanations regarding its proposals, in particular in respect of the following requirements regarding the composition of the Board of Directors:

- (i) candidates' age, principal education and work experience;
- (ii) any work performed by the candidates for the Company and other significant professional commitments;
- (iii) candidates' holdings of shares and other financial instruments in the Company and any such holdings owned by candidates' related natural or legal persons;
- (iv) whether the Nomination Committee deems the candidates to be independent of the Company and Group Management, as well as of major shareholders of the Company;
- (v) in case of re-election, the year that the candidates were first elected to the Board of Directors; and
- (vi) other information that could be of importance to shareholders to assess the candidates' expertise and independence.

3.5 If an election for auditor shall take place at the AGM, the proposal of the Nomination Committee shall be based on a report to be prepared by the Company's Audit Committee, which report shall include an assessment of the independence and impartiality of the proposed auditor, as well as of the implications of services provided to the Company by the proposed auditor outside the scope of general audit work, if applicable.

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4.2 The Nomination Committee shall be quorate if more than half of the members are present.

4.3 The Nomination Committee shall endeavour to reach unanimous decisions in all matters to be proposed to the AGM. If a unanimous decision cannot be reached, the Nomination Committee shall present to the AGM the proposals approved by a majority of the members of the Nomination Committee and dissenting members may present their own proposals individually or jointly with other members of the Committee.

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- 5.2 No remuneration shall be paid to the members of the Nomination Committee. The Company may however cover reasonable out of pocket expenses that the members may occur in relation to work performed for the Nomination Committee.
- 5.3 The Nomination Committee shall yearly assess this Nomination Committee Process and shall propose changes to it to the AGM, as appropriate.

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