# TO THE GENERAL MEETING OF BORGESTAD ASA, 28 MAY 2024
# RECOMMENDATIONS FROM THE NOMINATION COMMITTEE

**To all shareholders,**

Borgestad ASA elected Vegard Gjerde (Chair) and Olav Kristian Falnes to the Nomination Committee at the Annual General Meeting in 2023.

Pursuant to Section 8 of the Articles of Association and the Mandate for the Nomination Committee as approved by the General Meeting of Borgestad ASA, the Nomination Committee shall submit recommendations to the Annual General Meeting in respect of the following matters:

- Nominees for election of members of the Board of Directors of Borgestad ASA and the Chair of the Board of Directors
- Nominees for election of members of the Nomination Committee and the Chair of the Nomination Committee
- Proposal for remuneration of the members of the Board of Directors, the Nomination Committee and the Audit Committee

## Composition of the board

All Board members, including the Chair of the board, are up for election at the 2024 Annual General Meeting. The following criteria's have been used when working out the recommendation for the composition of new members to the board:

- number of shareholders elected members; the number of elected board members maximum six (6) persons
- requirements of minimum 40% male and female portion of candidates
- adequate competence, skills, experience, and dedication
- Interviews with the CEO, Chair of the Board and board members
- Dialogue with the largest shareholders

The Nomination Committee has held formal and informal meetings in preparation for the Annual General Meeting to discuss board composition, board remuneration and committee remunerations. The Nomination Committee has also discussed the committee's work.

The Nomination Committee has asked the company's major shareholders whether they have any specific proposals or views on the candidates to be proposed by the Committee.
In addition, the Committee has held discussions with the Chief Executive Officer (CEO), Chair of the Board and with all the individual members of the Board which principally focused on how the Board functions and whether its members have the expertise required.

All Directors have notified the nomination committee that they will be standing for re-election at the 2024 AGM.

The Nomination Committee of Borgestad ASA has therefore unanimously decided to nominate the following as Chair and board members for the election period 2024-2025:

- Glen Ole Rødland (Chair, proposed for re-election)
- Wenche Kjølås (board member, proposed for re-election)
- Jacob Andreas Møller (board member, proposed for re-election)
- Helene Steen (board member, proposed for re-election)
- Jan Erik Sivertsen (board member, proposed for re-election)

The Nomination Committee is of the opinion that the Board of Directors represents the necessary competence and continuity required to meet the strategic objectives of the company and at the same time create value for all shareholders going forward.

The Nomination Committee suggests re-election of the nominated Board of Directors up to the 2025 Annual General Meeting (AGM).

**Board of Directors, remuneration**

The Nomination Committee considers that the level of Board remuneration for Borgestad ASA should be competitive and comparable with similar listed companies in Norway and other international companies operating within the same industry and segments. Results from surveys and benchmarking performed by The Norwegian Institute of Directors of remuneration of the listed companies on the Oslo Stock Exchange have also been taken into consideration.

The Nomination Committee therefore proposes that Director's remunerations for the Board for the period from the Annual General Meeting in 2024, and up to the Annual General Meeting in 2025 in accordance with the following:

- Chair: NOK 450,000 (from NOK 400,000)
- Board Members: NOK 225,000 (from NOK 200,000)

The proposed level of remuneration for the Board is below the median and average for listed companies in Norway. However, based on the restructuring in 2023, financial position of the company, current operations & assets, level of complexity of the business model and expected workload the Nomination Committee considers the proposed board compensation as balanced and fair.

Based on the proposal, total remuneration to the board will be NOK 1.35 million.

**Nomination Committee, composition**

No members of the Nomination Committee are up for election at the 2024 Annual General Meeting. The Nomination Committee comprises the following persons:

- Vegard Gjerde, Chair (2025 AGM)
- Olav Kristian Falnes (2025 AGM)

**Nomination Committee, remuneration**

Based on benchmarking performed by The Norwegian Institute of Directors of the listed companies on the Oslo Stock Exchange the nomination committee proposes the following level of compensation to its members.

- Nomination committee Chair: NOK 20,000 (from 15,000)
- Nomination committee member: NOK 20,000 (from 15,000)

The proposed level of remuneration for the nomination committee is below the lower quartile for listed companies in Norway.

**Audit Committee, remuneration**

Based on benchmarking performed by The Norwegian Institute of Directors of the listed companies on the Oslo Stock Exchange the nomination committee proposes the following level of compensation to its members.

- Audit committee Chair: NOK 110,000 (from 100,000)
- Audit committee member(s): NOK 32,500 (from 30,000)

The proposed level of remuneration for the chair of the audit committee is in line with the average level of compensation for listed companies in Norway.

**Compensation Committee, remuneration**

Based on benchmarking performed by The Norwegian Institute of Directors of the listed companies on the Oslo Stock Exchange the nomination committee proposes the following level of compensation to its members.

- Compensation committee Chair: NOK 30,000
- Compensation committee member(s): NOK 25,000

The proposed level of remuneration for the nomination committee is below the lower quartile for listed companies in Norway.

*Stavanger, 03. April 2024*

Vegard Gjerde
*On behalf of the Nomination Committee*