

## TERMS OF REFERENCE – NOMINATION AND COMPENSATION COMMITTEE

### 1. ESTABLISHMENT

- 1.1 The Board of Directors has established a Nomination and Compensation Committee under the supervision of the Board of Directors in accordance with clause 19.1 of the Rules of Procedure of the Board of Directors (the "Committee").

### 2. PURPOSE / FUNCTION

- 2.1 The Committee has as its objective, among other things, to improve the quality of the work of the Board of Directors by contributing to the preparation of the basis for the Board's decisions in connection with:
- a) the nomination and appointment of members of the Board of Directors and the Executive Management;
  - b) ensuring that the Board of Directors and the Executive Management have the required qualifications and experience at all times;
  - c) the conduct of regular evaluations of the Board of Directors' and the Executive Management's performance; and
  - d) the drawing up, implementation and pursuit of the remuneration policy for members of the Board of Directors and the Executive Management.
- 2.2 The Committee's function is only preparatory in connection with the transaction of business by the Board of Directors. Accordingly, the setting up of the Committee does not limit or render superfluous any requisite consideration by the Board of Directors, and important information required by all members of the Board of Directors must therefore be provided to all Board members and not only to the Committee.

### 3. MEMBERS & COMPOSITION

- 3.1 The Committee consists of three (3) to four (4) members who are appointed from among and by the Board of Directors for a one-year term.
- 3.2 The Chairman of the Board of Directors is the Chairman of the Committee.
- 3.3 A majority of the members of the Committee must be independent.

### 4. DUTIES / TASKS

#### 4.1 Pay and remuneration policy

The Committee submits recommendations to the Board of Directors on the pay and remuneration policy applicable to the Board of Directors and the Executive Management, including general guidelines on incentive pay.

#### 4.2 Proposals for remuneration

The Committee must submit proposals to the remuneration of the Board of Directors and Executive Board and must ensure that the remuneration is in accordance with the Company's pay and remuneration policy.

4.3 Monitor the information in the annual report about remuneration

4.4 Assessment of the Board of Directors

The Committee must annually assess the Board of Directors' structure, size, composition and performance, and recommend any changes to the Board of Directors. The committee must also assess board members' qualifications, knowledge and experience and report its assessment to the Board of Directors.

4.5 Nomination of candidates to the Board of Directors and the Executive Management to fill vacancies

4.6 Other duties

The committee must be available to answer questions at the Company's general meetings and must perform any other tasks as the Committee deems necessary, in its discretion, and perform any other duties that the Board of Directors delegates to it.

## 5. MEETINGS / REPORTING TO THE BOARD OF DIRECTORS

5.1 Meetings will be held as often as the Chairman deems necessary or if requested by a member of the Committee, subject to a minimum of two meetings per year.

5.2 The Committee only passes resolutions where recommendations are to be made to the Board of Directors. The Committee has no independent decision-making power. All resolutions by the Committee must be passed by a simple majority of votes.

5.3 Minutes of all meetings of the Committee must be prepared as soon as possible after the meeting. The Committee's nominations and recommendations to the Board of Directors must be set out clearly in the minutes, including reasons.