

**RECOMMENDATION
FROM
THE NOMINATING COMMITTEE - KONGSBERG GRUPPEN ASA 2019**

Since the Annual General Meeting in 2018, the Nominating Committee for Kongsberg Gruppen ASA has consisted of Morten S. Bergesen (Chair), Morten Strømgren and Vigdis Almestad. The Committee has since the Annual General Meeting in 2018 had 17 meetings whereof 4 per phone, as well as correspondence by e-mail.

The Nominating Committee has had meetings with all members of the Board as well as CEO Geir Håøy. The Nominating Committee has reviewed the Board's self-evaluation. In addition, the Committee has been in touch with the major shareholders to get input to the Committee's work.

Kongsberg Gruppen ASA has also, according to the Norwegian code of practice for corporate governance and company management, facilitated that shareholders can bolster suggestions of new boardmembers via the company's internet pages and/or directly contact the members of the Nominating Committee. One proposal was promoted through this channel in 2019.

ELECTION OF SHAREHOLDER-ELECTED BOARD DIRECTORS

The shareholder-elected part of Kongsberg Gruppen ASA's Board of Directors has since the Annual General Meeting in 2017 consisted of:

Chair	:	Eivind K. Reiten
Deputy Chair	:	Irene Waage Basili
Director	:	Morten Henriksen
Director	:	Anne-Grete Strøm-Erichsen
Director	:	Martha Kold Bakkevig

All Board members are up for election at the Annual General Meeting in 2019.

Irene Waage Basili, Morten Henriksen and Anne-Grete Strøm-Erichsen has respectively four, three and two periods of the Board. Eivind K. Reiten and Martha Kold Bakkevig were both elected as Directors of the Board in 2017.

Irene Waage Basili has stated that she wants to resign from the Board by this year's General Meeting.

The Nominating Committee propose on the election of Per A. Sørлие. Sørлие is CEO of Borregaard ASA and has extensive experience as senior manager and from other management positions. Furthermore, Sørлие has long experience as a chairman of Norwegian industrial companies, including public companies.

Further, the Nominating Committee propose on re-election of Eivind K. Reiten as Chair of the Board, and Anne-Grete Strøm-Erichsen, Martha Kold Bakkevig, and Morten Henriksen as Board members (Directors).

It is the Election Committee's assessment that the set of candidates will give a composition of the Board that overall is suitable to protect the shareholders' and the company's interests. The composition of the Board represents good and relevant skills both professionally, type of business and regarding solid management experience from the business and community life. Of age, the Board will have a good spread from 50 to 69 years.

CVs for the proposed Board members are enclosed to this recommendation.

REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS, BOARD COMMITTEES AND NOMINATING COMMITTEE

The Nominating Committee's mandate also includes proposing compensation for the Board of Directors, the Board Committees and the Nominating Committee. In the effort to prepare proposals to the remuneration, has the Nominating Committee has among other things checked the level of remuneration in other comparable companies, looked at the workload of the tasks and discussed the level of remuneration with the shareholders.

The Nominating Committee positively considers that members of the board own KONGSBERG-shares. This is in line with the Norwegian recommendation on Corporate Governance from NUES, stating that it should be encouraged for such shareholder ownership, which could contribute to an increased financial community between the shareholders and the board members. On this background, the Nominating Committee encourages each board member to assess the extent of its shareholder ownership and that the Board considers this overall.

On this basis, the Nominating Committee proposes the following remuneration for the Board of Directors, the Board Committees and the Nominating Committee:

The Board:

Chair of the Board: NOK 544 000 per year (up NOK 26 000)
Deputy Chair: NOK 291 000 per year (up NOK 14 000)
Directors: NOK 273 000 per year (up NOK 13 000)
Deputy Director: NOK 12 300 per meeting (up NOK 300)

The Audit Committee:

Chair: NOK 12 700 per meeting (up NOK 600), maximum NOK 127 000 per year
Member: NOK 10 400 per meeting (up NOK 300), maximum NOK 104 000 per year

The Compensation Committee:

Chair: NOK 11 700 per meeting (up NOK 500), maximum NOK 58 500 per year
Member: NOK 9 400 per meeting (unchanged), maximum NOK 47 000 per year

The Nominating Committee:

Chair: NOK 8 000 per meeting (up NOK 600)
Member: NOK 5 600 per meeting (up NOK 400)

The recommendation of the Nominating Committee is unanimous.

Oslo, 5. April 2019

Morten S. Bergesen (sign.)

Morten Strømgren (sign.)

Vigdis Almestad (sign.)

CV OF THE NOMINEES TO THE BOARD OF DIRECTORS OF KONGSBERG GRUPPEN ASA

Morten Henriksen (50)

Position: Executive Vice President, Arendals Fossekompani ASA

Education: NTH - Electric power (1991)

Number of years on the Board: 6

Number of shares in Kongsberg Gruppen ASA: 3027

Directorships outside KONGSBERG: Chair of the Board of Tekna Plasma Systems, Markedskraft and Wattsight. Board member of Arendals Water Resources Usage Community, Flumill AS and Future Materials AS

Anne-Grete Strøm-Erichsen (69)

Position: Senior Advisor, Rud Pedersen Public Affairs Company Norway AS

Education: Engineer Exam at the University of Bergen (1974), IT studies, South Dakota School of Mines & Technology USA (1980/1981)

Special experience: 8 years as Cabinet Minister, City Chief Commissioner and Mayor in Bergen, 20 years in the IT business.

Number of years on the Board: 4

Number of shares in Kongsberg Gruppen ASA: 2000

Directorships outside KONGSBERG: Deputy Chairman of Dips AS, Deputy Chairman of ASVL AS, Board member of Port of Bergen AS and Chair of the Board of The Norwegian Atlantic Committee

Eivind K. Reiten (66)

Position: Self-employed, Chairman and member of several Boards

Education: Master in Economics (Cand.oecon) by the University of Oslo (1978)

Special experience: 30 years of experience from business and politics, including the position as State Secretary, Minister for Fisheries and Minister for Petroleum and Energy. Broad experience in Board-work, strategy and analysis. Worked 23 years in Hydro, the last 9 years as CEO.

Number of years on the Board: 2

Number of shares in Kongsberg Gruppen ASA: 2850

Directorships outside KONGSBERG: Chairman of the Advisory Board of Stena Group, Anaxo Capital AS, AS Backe, EDS AS and SICP LLP. Non-executive Director of Globeleq Ltd.

Martha Kold Bakkevig (56)

Position: CEO Steinsvik Group

Education: Dr.Scient./PhD - Norwegian University of Science and Technology (1995), Solstrand Program (2000), Board of Directors Program NHO (2004) and Dr. Oecon./PhD, BI (2007)

Special experience: 20 years' experience in Management and Business Development and broad academic background with doctor's degree in both technical and business strategical subjects.

Number of years on the Board: 2

Number of shares in Kongsberg Gruppen ASA: 2119

Directorships outside KONGSBERG: BW LPG

Per A. Sørli (61)

Position: CEO of Borregaard ASA

Education: Norwegian School of Economics & Business Administration, Bergen (1980)

Special Experience: Been employed by Borregaard since 1990, since 1999 as CEO and former CFO and EVP for the Fine Chemicals division.

Former CFO at Bjølsen Valsemølle og Hafslund's US-Business

Number of years on the Board: 0

Number of shares in Kongsberg Gruppen ASA: 1400

Directorships outside KONGSBERG: Deputy Chair of Inspiria Science Center AS, former board member of Sampo Group, Elkem and Tomra (Deputy Chairman) and Chairman of the Norwegian Industry.