

RECOMMENDATION
FROM
THE NOMINATING COMMITTEE - KONGSBERG GRUPPEN ASA
2021

Since the Annual General Meeting in 2020, the Nominating Committee for Kongsberg Gruppen ASA has consisted of; Vigdis Almestad (Chair), Erik Must, Karl Mathisen and Morten Strømgren.

The Committee has since the Annual General Meeting in 2020 had ten meetings, plus correspondence per telephone and e-mail.

The Nominating Committee has had meetings with all members of the Board as well as the CEO. 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 via the company's internet pages and/or directly contact the members of the Nominating Committee. No proposals were made through this channel in 2021.

ELECTION OF SHAREHOLDER-ELECTED BOARD DIRECTORS

The shareholder-elected Board members of Kongsberg Gruppen ASA's Board of Directors has since the Annual General Meeting in 2019 consisted of (election year):

Chair	:	Eivind K. Reiten (2017)
Deputy Chair	:	Anne-Grete Strøm-Erichsen (2015)
Director	:	Morten Henriksen (2013)
Director	:	Martha Kold Bakkevig (2017)
Director	:	Per A. Sørli (2019)

All these shareholder-elected Board members are up for election at the General Meeting in 2021.

Martha Kold Bakkevig leaves the Board at this year's Annual General Meeting. The Nominating Committee wishes to thank her for her good work and contributions to the Board over several years.

The Nominating Committee propose the election of Merete Hverven as new Board Member. Hverven is CEO of Visma AS and has previously held several management positions in the same Group and has also previous experience from EY and Arthur Andersen.

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

It is the Election Committee's assessment that the proposed candidates will give a composition of the Board that in total is suitable to ensure the shareholders' and the company's interests. The composition of the Board represents good and relevant competence both professionally, in terms of industry and with regard to solid management experience from the business and society. Of age, the Board will have a good spread from 43 to 71 years.

CVs for the proposed Directors 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 submitting proposals for remuneration to the members of the Board of Directors, the Board Committees and the Nominating Committee. Among other things, the Nominating Committee has looked at the level of remuneration in other companies and the workload for each position.

The Committee notes that Kongsberg Gruppen has increased its turnover by 78 per cent from 2018 to 2020 and has significant international operations in several industries. The Board's work appears relatively demanding in terms of time, responsibility and complexity. Kongsberg Gruppen's remuneration appears to be lower than in comparable companies listed on Oslo Børs, particularly this applies to remuneration to the Chairman of the Board. Over time, Board remuneration should reflect this. After probes relating to what can be expected to be endorsed at the General Meeting, the Nominating Committee has nevertheless found it appropriate to propose limited increases in the remunerations.

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 561 000 per year (up NOK 17 000)
Deputy Chair:	NOK 300 000 per year (up NOK 9 000)
Directors:	NOK 281 000 per year (up NOK 8 000)
Deputy Director:	NOK 12 700 per meeting (up NOK 400)

The Audit Committee:

Chair:	NOK 103 000 per year (up NOK 3 000)
Member:	NOK 77 000 per year (up NOK 2 000)

The Compensation Committee:

Chair:	NOK 72 000 per year (up NOK 2 000)
Member:	NOK 48 500 per year (up NOK 1 500)

The Nominating Committee:

Chair:	NOK 8 200 per meeting (up NOK 200), up to NOK 50 000 per year
Member:	NOK 5 800 per meeting (up NOK 200), up to NOK 40 000 per year

In this context, the Nominating Committee will emphasise it sees positively that Board Members own KONGSBERG-shares. This is in line with the Norwegian Code of Practice on Corporate Governance from NUES, stating that such shareholder ownership should be encouraged that can contribute to increased financial community between shareholders and board members. On this basis, the Nominating Committee encourages each Board Member to assess the extent of their share ownership and that the Board considers this overall.

This recommendation of the Nominating Committee is unanimous.

Oslo, 23 March 2021

Vigdis Almestad (sign.) Erik Must (sign.) Karl Mathisen (sign.) Morten Strømgren (sign.)

CV for the proposed members of the Board of Directors of Kongsberg Gruppen ASA

Eivind K. Reiten (68)

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

Education: Master's 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: 4

Number of shares in Kongsberg Gruppen ASA: 2850

Directorships outside KONGSBERG: Chairman of the Advisory Board of Stena Group, Anaxo Capital AS, AS Backe and SICP LLP. Board member of Globeleq Ltd.

Anne-Grete Strøm-Erichsen (71)

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

Education: Engineer Exam at Bergen Technical School (Western Norway University of applied Sciences) (1974), and 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: 6

Number of shares in Kongsberg Gruppen ASA: 2000

Directorships outside KONGSBERG: Chairman of Dips ASA, Port of Bergen, DNAK (The Norwegian Atlantic Committee) and The Think Tank Agenda AS. Board member of Carte Blanche AS and SBB Norden AB.

Morten Henriksen (52)

Position: Executive Vice President, Arendals Fossekompani ASA

Education: NTH - Electric power (1991)

Special experience: 30 years' experience from international work, project management of large-scale constructions and management of organizations, both in Norwegian and International. Broad board-experience from companies within Energy, Material Science, Digitalization and Industrial Manufacturing.

Number of years on the Board: 8

Number of shares in Kongsberg Gruppen ASA: 3027

Directorships outside KONGSBERG: Chair of the Board of Tekna Plasma Systems Inc. and Alytic. Board member of Kontali, Flumill AS and Future Materials AS.

Per A. Sørli (63)

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: 2

Number of shares in Kongsberg Gruppen ASA: 3 400

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.

Merete Hverven (43)

Position: CEO of Visma AS

Education: CEMS Master's Degree in International Management, Universitat St. Gallen, Switzerland, Master's Degree in Economics and Business Administration, NHH, Norway, Major in Finance One-year program in Psychology, University of Bergen, Norway

Special experience: Has worked in Arthur Andersen and EY for a total of 10 years, working within Finance and Human Resources. Has more than 9 years of experience in Visma, working with overall strategy, M&A and Human Resources and 8 years in different roles in Top Management in Visma.

Number of years on the Board: 0

Number of shares in Kongsberg Gruppen ASA: 0

Directorship outside KONGSBERG: Board Member of Visma Software International AS, PowerOffice AS, Visma Software AS, Visma Enterprise A/S, Visma Software Labs AS, Visma AS, Visma Raet BV, Finance AB, Visma e-conomic A/S, Visma Group Holding AS, Metatron AS, Visma Norge Holding AS, Visma Treasury AS, Visma Danmark Holding A/S, Visma Sverige Holding AB, Visma Finland Holding Oy, Visma Solutions Oy, Visma International Holding AS, Supervisory board for Visma Nederland BV, Roadtrip AS and Archangel AS.