

## **MANDATE FOR THE COMPENSATION AND BENEFIT COMMITTEE OF KONGSBERG AUTOMOTIVE ASA**

**APPROVED BY THE BOARD OF DIRECTORS 31<sup>ST</sup> JANUARY 2023.**

### **1 Appointment**

The Board of directors (the "BoD") shall appoint a Compensation and Benefit Committee (the "Committee") consisting of not less than three directors of the BoD who are independent of any officers or managers of the Company. The appointment shall take place on the first ordinary board meeting following the Annual General Meeting. The appointments are for the same periods as the appointment of board directors. The Committee shall be chaired by the chair of the BOD unless the BOD decides otherwise. Committee members may be re-appointed.

### **2 Objectives**

The Committee shall assist the BoD in exercising its oversight responsibility and prepare matters for consideration by the BOD in relation to:

- a) Compensation matters and matters relating to terms of employment pertaining to the President and CEO ("the "CEO"), and other members of the Global Leadership Team (the "GLT")
- b) Other compensation issues and issues relating to terms of employment of principal importance,
- c) Strategic people processes in the Company, in particular related to recruitment, succession, talent development, retainment, diversity and inclusion.

### **3 Meetings**

The Committee shall meet at such times as are determined by the Committee Chair, but at least two times per calendar year. A majority of the members of the Committee shall constitute a quorum but at least 3 members present if the Committee consists of four members. Decisions are taken by majority vote. The Chair has a casting vote if the number of votes are even. Meetings may be held digitally.



#### **4 Conflict of interests**

Committee members shall abstain from consideration and decision of matters where they may have a potential or may be perceived to have a Conflict of Interest.

#### **5 Responsibilities and Authorization**

The Committee shall inter alia:

- a) Conduct a performance review of the CEO and the GLT Annually. The CEO process shall be based on preceding appraisal meeting between the CEO and the Committee Chair. The review of the GLT members shall be based on an appraisal presentation prepared by the CEO.
- b) Annually prepare and recommend proposals for the CEO's compensation, including base salary adjustments, incentive plans and or other benefits. The compensation and benefits for the CEO shall always be finally determined by resolution by the Board of directors.
- c) Review the CEO's annual proposal for compensation and benefits to the members of the GLT and provide recommendations to the CEO. The Compensation and Benefits to members of the GLT are finally determined by the CEO after consultations with the Committee.
- d) Prepare for the BoD considerations matters of principle regarding salary levels, short-term and long-term incentive programs, pension schemes/terms and similar benefits for executives of the Company as well as other matters regarding compensation that the Committee finds to be of importance to the Company's competitiveness, competence, recruitment or diversity.
- e) In the event of extraordinary events such as mergers, acquisitions, divestments or similar changes to the Company, CEO may propose adjustments to the STI thresholds and bonus targets for approval by the Committee.
- f) .
- f) Review of the draft annual Remuneration Report prepared by the Company's corporate HR function and prepare it for presentation to the BoD for approval and ultimately presentation to the Annual General meeting for advisory vote.
- g) Update the Guidelines for Salary and other Remuneration for Senior Executives in Kongsberg Automotive when deemed necessary and at least every fourth year for presentation to the Annual General Meeting for approval. good
- h) Oversee and review the Company's policies and practices relating to:
  - Succession planning, talent management processes
  - Development of leadership and competence
  - Diversity and inclusion management
  - Oversee and review employee surveys



- i) The BoD may delegate additional authorizations and responsibilities to the Committee.

## **6 Management Support**

The head of the Company's Corporate HR function shall act as secretary to the Committee.

The Committee shall be entitled to call upon any member of the senior management to provide information to the Committee and to take part in the Committee's meetings when deemed appropriate. The Committee shall have access to the Company's General Counsel at its discretion. The Committee may further at its discretion retain services from external advisors to ensure that no executive of the Company that may be perceived as having a significant personal or financial interest in the decisions of the committee takes part in the Committee's deliberations.

## **7 Reporting**

The Committee shall prepare and upload the minutes from its meetings in Admincontrol. The Committee shall further submit its recommendations to the BoD for resolutions or information when deemed appropriate.