



To the shareholders of Arendals Fossekompani ASA

Notice of Annual General Meeting

The Annual General Meeting will be held on
Wednesday 15 May 2024 at 5:00 pm



The General Meeting will be held as a digital meeting (see additional information on page 7), and it will accordingly not be possible to attend the General Meeting in person.

Link for participation: <https://dnb.lumiagm.com/197146600>

Meeting id: 197-146-600

Guide for online participation is available on the Company's website, <https://arendalsfossekompani.no/en/investor-relations>.

Attendance and proxy forms are included with the notice.

The following will be considered by the Annual General Meeting

1. The General Meeting is opened according to the Articles of Association by the Chair of the Board, Trond Westlie, who will chair the meeting until a chair of the meeting has been elected, including compiling a list of attending shareholders.
2. Election of a person to chair the meeting and appointment of two persons to co-sign the minutes.
3. Approval of the notice and the agenda.

Adoption of the parent company and the consolidated annual accounts and annual report 2023, as well as consideration of the Board of Directors' statement on corporate governance.

The annual report for 2023, including the annual accounts for 2023 for the company and the group, the Board of Directors' report and the auditor statement is available at the Company's website. The statement on corporate governance is also included in the annual report.

4. Authorisation to the Board of Directors to decide the distribution of dividends.
5. The Board of Directors adopted a new dividend policy in 2020, defined in the Board of Directors' statement on corporate governance, which includes a goal of quarterly distributions of dividends. To facilitate a practical and efficient implementation of such a scheme, the 2023 General Meeting authorised the Board of Directors to decide the distribution of dividends in the Company on the basis of the annual accounts for 2022. It is proposed that the Board of Directors' is granted a corresponding authorisation on the basis of the annual accounts for 2023.

Based on the above, the Board of Directors proposes that the General Meeting adopts the following resolution:

- I. According to section 8-2 (2) of the Public Limited Liability Companies Act, the Board of Directors is granted an authorisation to decide the distribution of dividends on the basis of the company's annual accounts for 2023.
 - II. The authorisation is valid until the company's Annual General Meeting in 2025, but no longer than until 30 June 2025.
6. Approval of amendments to guidelines on determination of salaries and other remuneration to management.

In accordance with section 6-16 a of the Public Limited Liability Companies Act, the Board of Directors has prepared guidelines on determination of salaries and other remuneration to management. The guidelines shall be approved by the General Meeting upon any material changes and at least every four years. The guidelines were most recently approved by the Annual General Meeting in 2022.

It is proposed that a change is made to the bonus program for senior executives in the company. The guidelines on determination of salaries and other remuneration to management are updated to reflect this. Adjustments are also made to reflect changes in the management team, as well as to streamline the document. The updated guidelines are available on the company's website. It is proposed that the General Meeting approves the updated guidelines.

7. Report on salaries and other remuneration to the management and accompanying report from the auditor.

Pursuant to section 6-16 b of the Public Limited Liability Companies Act, an advisory vote shall be held regarding the Board of Directors' report on salaries and other remuneration to the management. The report is available on the Company's website.

8. Determination of the auditor's fee.

The Company's auditor has calculated a fee of NOK 1,125,000 (excl. VAT) for statutory audit for the financial year 2023.

9. Determination of remuneration to the members of the Board of Directors valid as of 15 May 2024.

The Nomination Committee proposes that the remuneration to the Chair of the Board is increased from NOK 665,000 to NOK 900,000 per year, and that the remuneration to the other members is increased from NOK 360,000 to NOK 400,000 per year.

10. Determination of remuneration to the members of the Board of Directors' subcommittees valid as of 15 May 2024.

The Nomination Committee proposes that the remuneration to the head of the Audit Committee is increased from NOK 92,500 to NOK 105,000 per year, and that the remuneration to the other members is increased from NOK 68,000 to NOK 78,000 per year.

The Nomination Committee proposes that the remuneration to the head of the Remuneration Committee is increased from NOK 74,000 to NOK 80,000 per year, and that the remuneration to the other members are increased from NOK 37,000 to NOK 40,000 per year.

11. Determination of remuneration to the members of the Nomination Committee valid as of 15 May 2024.

The Nomination Committee proposes that the remuneration to the head of the Nomination Committee is increased from NOK 30,000 to NOK 34,000 per year, and that the remuneration to the other members is increased from NOK 20,000 to NOK 23,000 per year.

12. Authorisation to acquire own shares.

The Board of Directors proposes that the Board of Directors be granted authorisation to acquire up to approximately 7.93% of the Company's own shares with a total nominal value of NOK 17,769,000. The reason for the authorisation is to give the Board of Directors flexibility to utilise the mechanisms the Public Limited Liability Companies Act allows for in situations where the acquisition of shares is considered beneficial to the Company and the Company's shareholders, including for use in share purchase programmes for Company board members and employees.

Based on the above, the Board of Directors proposes that the General Meeting adopts the following resolution:

- I. According to sections 9-4 and 9-5 of the Public Limited Liability Companies Act, the Board of Directors is authorised to acquire own shares on behalf of the Company with a total nominal value of NOK 17,769,000, which corresponds to approximately 7.93% of the Company's current share capital. The authorisation includes acquisition of own shares both for ownership and as collateral.
- II. The minimum and maximum amounts that may be paid per share shall be NOK 10 and NOK 2,000, respectively.
- III. Acquisition and disposal of own shares may take place as deemed appropriate by the Board of Directors within the framework of this authorisation.
- IV. The authorisation shall be valid until the next Annual General Meeting of the Company, but no longer than until 30 June 2025. The authorisation replaces the previous authorisation to acquire own shares adopted by the Company's Annual General Meeting in 2023.

13. Election of members to the Board of Directors.

The Nomination Committee proposes the following composition of the Board of Directors to the General Meeting:

Arild Nysæther is elected as a new member of the Board of Directors in replacement of Christian Must. Other members of the Board of Directors are proposed re-elected. The members are elected for an election period of one year.

The recommendation of the Nomination Committee is available at the Company's website.

14. Election of members to the Nomination Committee.

The Nomination Committee proposes the following regarding election of members to the Nomination Committee:

All current members of the Nomination Committee are proposed re-elected.

The recommendation of the Nomination Committee is available at the Company's website.

15. Proposal to amend the Company's Articles of Association.

The Board of Directors proposes that the Company's Articles of Association are amended so that shareholders are able to cast votes in advance of general meetings in the Company in accordance with section 5-8 b of the Public Limited Liability Companies Act. The Board of Directors considers that such opportunity to vote in advance may make it easier for shareholders to vote in general meetings.

Further, the Board of Directors proposes that the provision regarding a registration deadline for attendance in the general meeting in § 8 of the Articles of Association is deleted so that there is no general requirement for shareholders to register attendance within two days before the general meeting.

Lastly, it is proposed that the reference to a two-week notice period etc. in § 8 of the Articles of Association, as well as a reference to consideration of the Board of Directors' statement on salary and other remuneration to leading employees in § 10 of the Articles of Association, are deleted as these relates to provisions in the company's law legislation that are no longer in force or amended.

Based on the above, the Board of Directors proposes that the General Meeting adopts the following resolution:

The following sentences are added to the very end of § 8 of the Company's Articles of Association:

"The Board of Directors may determine that shareholders shall be able to submit written votes, including by electronic communication, in a period prior to the general meeting. The use of such voting procedure is contingent on there being a safe method for authentication of the sender. The Board of Directors may determine further guidelines for the voting procedure."

The following sentences in § 8 of the Company's Articles of Association are deleted:

Sentence three: *"Likewise, a general meeting shall be summoned within two weeks in case shareholders representing at least one tenth of the share capital or the auditor requires this in writing and simultaneously states the subjects that are requested to be considered."*

Sentence eight: *"Shareholders that wish to participate in the general meeting must notify this to the company in writing within two days before the general meeting".*

The following item in § 9 of the Company's Articles of Association (item 5) is deleted:

"5. Consider the Board of Directors' statement on salary and other remuneration to leading employees."

The current item 6 in § 9 of the Company's Articles of Association is new item 5.

The Articles of Association in its entirety including the proposed amendments is available at the Company's websites.

The General Meeting will be held as a digital meeting via Lumi AGM. See the guide for additional information about digital participation and voting, which is available at the Company's website.

Pursuant to section 5-2 (1) of the Public Limited Liability Companies Act, only shareholders in the Company as of 7 May 2024 (the record date) are entitled to participate and vote at the general meeting.

In accordance with § 8 of the Articles of Association, shareholders that wish to attend the general meeting must notify this to the company in advance and no later than 13 May 2024. Registration of attendance may be done through link available at the company's website, <https://arendalsfossekompani.no/en/investor-relations>, through VPS Investor Services, <https://investor.vps.no/garm/auth/login> or by submitting the attached attendance form.

In accordance with section 1-8 of the Public Limited Liability Companies Act as well as the regulation on intermediaries comprised by section 4-5 of the Norwegian Central Securities Depository Act and related implementing regulations, the notice is only sent to custodians who shall communicate it to the shareholders for whom they hold shares. Owners of nominee held shares must communicate with their custodians, who are responsible for conveying proxies and/or notice of participation at the general meeting within the registration deadline on 13 May 2024 to the Company. Custodians and owners of nominee held shares should note that registration of votes (e-votes) through the system for communication between the Company and custodians are considered a proxy with voting instructions to the Chairman of the Board in accordance with the terms set out in the proxy form included with the notice. Custodians must communicate the instructions from owners of nominee held shares through an automated system, but note that if an owner wishes to attend personally in the general meeting, the custodian must in addition notify this specifically to the Company's share registrar, DNB Bank ASA, per email genf@dnb.no to receive required log-in details to the general meeting.

The Public Limited Liability Companies Act and the Company's Articles of Association provide that documents which are to be considered at the General Meeting, including documents which by law must be attached to the notice of the General Meeting, may be made available on the Company's website instead of being sent out together with the notice. The Board of Directors has decided to implement this. The object is to achieve environmental and cost gains. The individual shareholder is nevertheless entitled to have the documents sent to him free of charge by contacting the Company.

Shareholders who are not able to participate in the General Meeting are encouraged to vote by use of proxy. Shareholders who wish to vote by way of proxy are requested to do this by sending the proxy form to DNB no later than 13 May 2024. Please see more information in the attendance and proxy form that are included with the notice. It will be possible to ask questions to the Company's Board of Directors and management in advance of the General Meeting via firmapost@arendalsfoss.no.

The notice and the annual report with notes, the auditor's report, as well as other documents concerning the General Meeting, are available at <https://arendalsfossekompani.no/en/investor-relations> under the menu option: Investor-relations/reports-and-presentations.

A shareholder is entitled to have matters considered by the General Meeting. The question must be notified in writing to the Board of Directors within seven days before the deadline for the notice of the General Meeting, together with a proposal for a resolution or a justification for why the matter is added to

the agenda. Shareholders also have the right to speak at the General Meeting, to request information from the members of the Board of Directors and the Chief Executive Officer about such matters described in section 5-15 of the Public Limited Liability Companies Act, and the right to present alternatives to the Board of Directors' proposals in respect of matters on the agenda at the general meeting.

The Company has issued 55,995,250 shares, of which the Company itself owns 1,137,911. At the General Meeting, each share has one vote. A shareholder is entitled to meet by proxy, who shall present a written and dated proxy form. No shareholder may personally or by proxy vote for more than a quarter of the total number of shares.

Froland, 22 April 2024



Trond Westlie
Chair of the Board

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