

# Report and Recommendations from the Nomination Committee to the 2024 Annual General Meeting

## Report from the Committee

Nordic Semiconductor ASA (“NOD” or “Company”) established a Nomination Committee at the Annual General Meeting (“AGM”) 18 April 2005. In 2023, the Committee consisted of Viggo Leisner (Chair), Eivind Lotsberg and Fredrik Thoresen. None of the members of the Nomination Committee are employees of NOD or members of the Board of Directors (“BoD”) of NOD.

The main duties of the Committee are to evaluate and submit a recommendation to the General Meeting on the following matters:

- Nominees for election as members of the Board of Directors of NOD and the Chair of the BoD
- Nominees for election as members of the Nomination Committee and the Chair of the Nomination Committee
- The proposed remuneration of the Nomination Committee and Board of Directors including the sub committees.

The Nomination Committee has followed Terms of Reference that was approved at the 2015 General Meeting. The Terms of Reference details the duties and responsibilities of the Nomination Committee.

The Committee has held several meetings and interviews with all shareholder elected board members, three employees elected board members, CEO and CFO as well as potential new candidates in the preparation for the conclusion of this report. The discussions have included all aspects of Board composition and recruitment. The Committee has ensured that there has been opportunity for all shareholders and others to nominate Directors or to discuss candidates with the Nomination Committee.

In 2023, the BoD of Nordic Semiconductor consisted of the following shareholder elected Directors:

Birger Steen, Chair (2017) Member of P & Com Committee, M/A Committee

Inger Berg Ørstavik (2017) Member of Audit Committee, ESG Committee

Anita Huun (2019) Member of Audit Committee

Jan Frykhammar (2019) Member of Audit Committee, M/A committee

Snorre Kjesbu (2023)

Niels Anderskouv (2023)

Annastiina Hintsa (2019) Member of ESG Committee

Unfortunately, both Mr Anderskouv (May-23) and Mr Frykhammar (July-23) left the Board of Directors, which created an urgent need to replace the industrial and semiconductor relevant competencies these two candidates represented.

In an extraordinary shareholders meeting held February 6<sup>th</sup> 2024, Mr Dieter May and Dr Helmut Gassel were elected as new board members, as proposed by the Nomination Committee.

NOD currently meets the requirements for both male and female directors of the Public Limited Act Section 6-11 a (1).

## **Nomination Committee Recommendations**

### **Background**

The Company currently has a Board consisting of 7 shareholder elected members and 3 employee elected members, a total of 10 members of the board. 11 is the average number of board members in S&P 500. Regarding the employee-elected Board members, the committee shall adhere to Norwegian legislation concerning both the quantity of members and the gender balance.

The current Nomination Committees ambition is to optimize the number of board members to a level covering the needed experience, understanding, knowledge and qualifications required to meet the needs of the Company. We see the rationale for a smaller Board of Directors. However, to secure continuity, with the recent change of CEO and the fact that two of the board members have been recently elected, we do not recommend reducing the size of the BoD in 2024.

### **Board of Directors**

In the Nomination Committee's considerations, it has emphasized that the BoD's composition reflects the competence needed. Please see description on Company's website, [https://www.nordicsemi.com/About-us/Board of Directors](https://www.nordicsemi.com/About-us/Board_of_Directors).

The Committee suggests that the following candidates from earlier shareholder meetings shall be reelected as Directors at this year's AGM.

Birger Steen, Chair. (2017)

Inger Berg Ørstavik (2017)

Anita Huun (2019)

Annastiina Hintsa (2019)

Snorre Kjesbu (2023)

Dieter May (2024)

Helmut Gassel (2024)

The Nomination Committee is of the opinion that the proposed BoD, will have the competence necessary to establish an Audit Committee, in accordance with the competency requirements of the Public Companies Act §6-42.

## Directors' remuneration 2024

The Nomination Committee has reviewed remuneration levels for BoD members with relevant peer companies in the global semiconductor sector and with larger Norwegian companies. The Nomination Committee suggests increasing the remuneration for 2024 by approximately 5%.

For the period from the 2024 AGM to the 2025 AGM the Nomination Committee proposes the following remuneration levels and principles:

	<b>Board Member Fee</b>	<b>Audit Committee Fee (for each meeting)</b>	<b>P&amp;C Committee Fee (for each meeting)</b>	<b>Sustainability Committee Fee (for each meeting)</b>
All members	NOK 325,000 + Shares for NOK 184,906	NOK 11,025	NOK 8,269	NOK 8,269
Committee Chair		NOK 22,050	NOK 16,538	NOK 16,538
Chair	NOK 750.000 + Shares for NOK 523,388			

The share-based part of the compensation is paid after the AGM in 2024, and the number of shares shall be based on the tax adjusted amount due in NOK (respectively NOK 184,906 and NOK 523,388 minus tax) divided by the share price at closing of the AGM day 2024.

Participation for individual Board members in additional meetings with ad hoc committees is compensated with NOK 8,269 per meeting. This also applies for participation in additional working group meetings for individual members in either Audit Committee, P&C Committee or Sustainability Committee. Maximum payment for additional working group meetings is NOK 82,688 per Board Member.

In addition, the Nomination Committee proposes to remunerate members of the Board USD 3,308 for each meeting taking place in the USA related to company activities. A travel time allowance of USD 5,513 is proposed for travels from the United States to Norway, and USD 1,103 for travel within Europe. Further, any costs incurred by the Board Members in relation to their participation as a member of the Board or any of the committees, will be reimbursed by the Company.

If Intercontinental travel is difficult due to unforeseen events, compensation (USD 5,513) per scheduled meeting, will be lowered to USD 2,756 pr scheduled board meeting, due to inconvenient time difference.

All cash-based fees and costs will be paid on a quarterly basis in arrears.

The Board Member fee amounting to NOK 325,000/750,000 assumes that the respective Director serves the whole election period of one year. If, for any reason, the director(s) serve(s) less than one year, the cash part will be paid pro rata.

## **Nomination Committee**

Eivind Lotsberg, Fredrik Thoresen and Viggo Leisner have advised the Committee that they are available for re-election at the 2024 AGM.

Viggo Leisner (Chair), 1966, is independent member of the Nomination Committee.

Eivind Lotsberg, 1972, is representing The Government Pension Fund, Norway.

Fredrik Thoresen, 1980, is representing Kvantia AS

The Nomination Committee proposes that the fees for the period between the 2024 AGM to the 2025 AGM will be NOK 66,150 (+ NOK 3,150 from the preceding year) for each of the members of the Committee.

All fees and costs will be paid on a yearly basis.

All the Nomination Committee's recommendations are unanimous.

Oslo, March 18<sup>th</sup> 2024

Eivind Lotsberg, Fredrik Thoresen and Viggo Leisner