

# CORPORATE GOVERNANCE

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# 1. STATEMENT OF CORPORATE GOVERNANCE

The Board of Directors and management of Atea ASA (“Atea” or the “company”) aim to execute their respective tasks in accordance with the highest standards for corporate governance. Atea’s standards for corporate governance provide a critical foundation for the company’s management. These principles must be viewed in conjunction with the company’s efforts to constantly promote a sound corporate culture throughout the organization. The company’s core values of respect, trust, accountability and equal treatment are central to the Board’s and management’s efforts to build confidence in the company, both internally and externally.

Atea’s principles for corporate governance are based on Norwegian law, regulations by the Oslo Stock Exchange and the Norwegian Code of Practice for corporate governance (hereafter referred to as the “Code”) published by the Norwegian Corporate Governance Board on October 30, 2014. The company’s and its subsidiaries’ (the “Group”) policy on corporate governance are published each year in the annual report, and described in detail below.

## 1. Ethical Guidelines and Corporate Social Responsibility

### Ethical Guidelines

The Group’s business operations depend on trust and a good reputation. It is a requirement that all of the Group’s employees safeguard and foster the Group’s reputation by acting responsibly vis-à-vis co-workers, business contacts and society at large. The Group provides a policy for corporate ethics to employees to ensure that all persons acting on behalf of the Group perform their activities in an ethically proper manner at any given time.

### Corporate Social Responsibility

Atea supports the UN Global Compact’s ten principles of corporate social responsibility within the areas of human rights, labour standards, environment and anti-corruption. Atea has since 2011 reported on activities related to the Global Compact with the main focus on principles regarding environment. Activities related to corporate social responsibility are provided in a separate document on the website, [atea.com](http://atea.com).

## 2. Business operations

The business objective of Atea as stated in the Articles of Association is as follows: “The objective of the company is the sale of IT services, equipment, systems and related products, hereunder to participate in other companies having financial purposes.” The Articles of Association are available on the company’s website. Atea has defined goals and strategies for its business, which are described in the annual report.

## 3. Equity and dividends

### Equity

Atea has an equity appropriate to its objectives. The Board of Directors continuously assesses the Group’s financial strength and capital requirements in light of the Group’s strategy and risk profile.

### Dividend

It is Atea’s objective to offer competitive returns to its shareholders through capital appreciation and a high dividend pay-out. The company’s policy is

to distribute over 70 percent of free cash flow over time (calculated as cash flow from operations minus capital expenditures) to shareholders in the form of a dividend. Any dividends proposed by the Board to the General Meeting shall be justified based on the company’s dividend policy and its capital requirements.

### Powers of attorney to the Board of Directors

Powers of attorney granted by the shareholders to the Board of Directors at the General Meeting shall be limited to specific purposes, and each purpose shall be treated as a separate issue in the General Meeting. Powers of attorney to the Board of Directors are only provided with a term until the next Annual General Meeting.

## 4. Equal treatment of shareholders and transactions with related parties

### Equal treatment

Atea has only one class of shares. The Articles of Association do not contain any voting right restrictions. All shares have equal rights.

### Decisions to waive the shareholders' pre-emption rights

Any proposal to waive the pre-emption rights of existing shareholders to subscribe for shares in the event of share capital increase will be justified. If the Board of Directors has been granted a power of attorney to increase the company's share capital and waive the pre-emption rights of existing shareholders, justification of such resolution will be disclosed in a stock exchange announcement issued in connection with the resolution.

### Purchase of own shares

Transactions the company will carry out in its own shares will be made either through the stock exchange or if made otherwise, at a prevailing stock exchange price. In case of limited liquidity in the company's shares, the company will consider other means of such transactions to ensure equal treatment of all shareholders.

### Transactions with related parties

In the event of transactions between the company and its related parties that are not immaterial, such as transactions with a shareholder, a shareholder's parent company, members of the Board of Directors, executive personnel or close associates of any such parties, the Board of Directors will arrange for an assessment of the transaction to be obtained from an independent third party, however, this will not apply if the transaction requires approval from the General Meeting pursuant to the Public Limited Liability Companies Act. Further, independent valuations will also be arranged in case of transactions between companies in the Group where any of the companies

involved have minority shareholders. The company has established routines that ensure that members of the Board of Directors and senior management shall notify the Board of Directors if they have any material direct or indirect interest in an agreement that is entered into by the Group.

### Insider trading

The Board of Directors has adopted instructions for the Group's employees and primary insiders relating to inside information and trading in financial instruments, including the duty of confidentiality, prohibition of trading, investigation and reporting requirements, and ban on giving advice.

### 5. Free negotiability

Atea's shares are freely negotiable. The Articles of Association do not contain any trading restrictions.

### 6. The General Meeting

The General Meeting guarantees shareholder's participation in the company's highest body. An Annual General Meeting shall be held within June 30 each year. Notice of the General Meeting shall be sent to all the shareholders with a known address. The summons, supporting information on the resolutions to be considered by the General Meeting, hereunder the recommendations of the Nominating Committee, will be published on Atea's website at least 21 days prior to the date of the General Meeting.

The right to participate in and vote at the General Meeting may only be exercised when ownership of shares has been recorded in the company's shareholder register (VPS) on the fifth weekday

prior to the General Meeting being held, pursuant to Article 9 of the company's Articles of Association. Shareholders that wish to participate in the General Meeting (personally or through proxy) must, pursuant to Article 10 of the Articles of Association, notify the company within a deadline that will be provided in the summons and which shall be no less than 5 days prior to the date on which the General Meeting is held. Registration for the General Meeting is made in writing by letter or through the Internet.

The Notice will provide the agenda for the General meeting, and sufficient information on each item on the agenda for the General Meeting so that the shareholders can make a decision on the matters that are to be resolved. The Notice will provide information on direct and proxy voting procedures (including information on a person who will be available to vote on behalf of the shareholders as their proxy), which enable shareholders to vote separately for each individual agenda item or candidate that shall be elected. Shareholders may provide their votes in writing or electronically, although no later than two days in advance of the General Meeting.

At a minimum, the Board Chairman, Chief Executive Officer, Chief Financial Officer, auditor, and a member of the Nominating Committee participate at the General Meeting. The General Meeting is chaired by an independent chairperson.

In addition to the Annual General Meeting, an Extraordinary General Meeting may be called by the Board. Shareholders who represent at least five percent of the shares may, pursuant to Section

5–7 of the Norwegian Public Limited Companies Act, demand an Extraordinary General Meeting to address a specific matter.

### 7. The Nominating Committee

The Nominating Committee shall, pursuant to Article 7 of the Articles of Association, consist of the Board Chairman and two members elected by the General Meeting. The members who are elected by the General Meeting have a term of office of two years. The Nominating Committee was re-elected by the Annual General Meeting in 2015.

The Nominating Committee's duties are to propose candidates for election to the Board of Directors and to propose the fees to be paid to the Board members. The Nominating Committee may also propose new members to the Nominating Committee. The Nominating Committee's proposals shall be justified.

The General Meeting has adopted guidelines for the composition and work of the Nominating Committee. The guidelines state that elected members of the Nominating Committee should a) be independent of the Board of Directors and the company's main shareholders, b) have competence and experience with respect to the position as Board member, c) have good knowledge and competence within the area of the Group's business and d) be well oriented within the Nordic industry and commerce. The guidelines further state that the Nominating Committee shall have contact with shareholders, Board members and the CEO as part of its work on proposing candidates for election to the Board of Directors.

Atea has made arrangements on its website ([atea.com/investors/](http://atea.com/investors/)) whereby shareholders may submit proposals to the Nominating Committee for candidates for election as members of the Board of Directors.

The Code (article 7) states that; "No more than one member of the nomination committee should be a member of the board of directors, and any such member should not offer himself for re-election to the board." The company deviates from the recommendation as the Board Chairman, pursuant to the Articles of Association, is member of the Nominating Committee and may be re-elected as member of the Board of Directors. The Board is of the opinion that it is an advantage to have continuity in the Nominating Committee and Board of Directors and therefore the Board Chairman should be entitled to stand for re-election as a member of both bodies.

## **8. Corporate Assembly and Board of Directors; composition and independence**

### **Corporate Assembly**

An agreement has been entered into with the employees of the Norwegian part of the Group, whereby a Corporate Assembly shall not be established, but the employees shall instead increase their representation in the Board of Directors as provided by the Norwegian Public Limited Companies Act § 6-4 (3).

### **Election and composition of the Board of Directors**

The General Meeting elects the shareholder's representatives to the Board of Directors. The Nominating Committee prepares the nominations for shareholder-elected Board members prior to the election, as stated in Article 7 above. Resolutions concerning the composition of the Board of Directors are made on the basis of a simple majority. The Board of Directors elects the Board Chairman and deputy chairman. This deviates from the Code, which states that the Board Chairman should be elected by the General Meeting. The reason for such deviation is that it has been agreed with employees and shareholders that a Corporate Assembly shall not be established and then the Board Chairman shall, pursuant to the Norwegian Public Limited Companies Act § 6-1 (2), be elected by the Board of Directors.

Systemintegration ApS is the company's largest shareholder and is represented by two Board members. The other Board members are independent of the company's largest shareholders and the company's management. The Board members are elected for a term of two years and may stand for re-election.

### **Independence of the Board of Directors**

The Board of Directors considers itself to be independent of the Group's management, and free of any conflict of interest between the shareholders, Board of Directors, corporate management and the company's other stakeholders.

The annual report provides information on the Board member's participation in Board meetings and their competence.

Members of the Board of Directors are encouraged to own shares in Atea.

## **9. The Board of Director's work**

### **The Board of Director's duties in general**

The Board of Directors has primary responsibility for governance of the Group. The function of the Board of Directors is primarily to safeguard the interests of the shareholders. However, the Board of Directors also bears responsibility for the company's other stakeholders.

The Board of Directors shall hire the Chief Executive Officer, direct the Group's strategy, and ensure proper control and risk management of the company's assets, business operations and financial reporting. Matters of importance for these objectives shall be reviewed and, if necessary, approved by the Board of Directors. For example, the Board will formally approve the Group's annual and quarterly reports, business strategy and M&A plans.

### **Rules of procedure**

The work of the Board of Directors is described in guidelines which are approved by the Board. The guidelines relate to the Board's responsibilities and authority, the administration of Board meetings, and the Board's confidentiality and conflict of interest requirements. If the chairman of the

Board is or has been personally involved in matters of a material character, the Board's consideration of such matters are chaired by another member of the Board of Directors.

### **Notice and structure of meetings**

The Board of Directors schedules fixed meetings every year. Normally six to eight meetings are held annually. Additional meetings are called as required.

The Board of Directors' discussions and minutes of meetings are kept confidential, unless the Board of Directors determines otherwise or if there is clearly no need for such treatment. In addition to the Board members, the Chief Executive Officer, Chief Financial Officer and the company secretary will regularly participate in the Board meetings. Other participants are invited as required.

Board members receive information on the Group's operational and financial performance, including monthly financial reports. The Board members are free to consult the Group's management if they feel a need to do so.

### **Audit Committee**

The Company has an Audit Committee, that also serves as the Compliance Committee for the Group. The responsibilities of the Audit Committee are amongst other to: (i) conduct the Board of Director's quality assurance of the financial reporting, (ii) monitor the company's internal con-

trol and risk management systems, (iii) have contact with the Group's auditor regarding audit of the Group and company accounts, (iv) review and monitor the auditor's independence, including services other than auditing that has been delivered by the auditor and (v) provide its recommendations to the Board of Directors with respect to election of auditor, (vi) establish and enforce procedures for receipt, storage and treatment of complaints regarding accounting, internal accounting controls or auditing matters. (vii) review and monitor the Group's compliance function.

#### Use of Board Committees

The Group has a Nominating Committee pursuant to the Articles of Association. The Nominating Committee also serves as the Group's Compensation Committee. The Compensation Committee's responsibility is to prepare to the Board of Directors' guidelines for executive compensation and to monitor these compensation guidelines. Details of the company's use of Board Committees are provided in the annual report.

#### The Board of Directors' self-evaluation

The Board of Directors performs an annual evaluation of how the Board members function individually and as a group.

### 10. Risk management and internal control

#### Guidelines for internal control

The Group has established guidelines for internal control which include routines for financial reporting, communication, authorization, risk management, ethics and social responsibility. In order to ensure internal control and manage risk, the Group conducts comprehensive financial reporting and reconciliation on a monthly basis, on both a consolidated, segment and subsidiary level. All financial reporting within the Group is in accordance with IFRS.

Immediately after the completion of the monthly financial report, the Group's financial administration holds a meeting with the financial management of each of the business segments. The purpose of the meeting is to follow up on the performance of each business segment and to identify potential errors and omissions in the financial statements. During the meetings, Management analyzes variances between each segment's actual performance and forecast, as well as its performance in the previous year. External market data is also used to analyze business performance across the group. When the financial reporting and analysis is complete, Management reports the monthly financial statements together with a summary of business operations to the Board of Directors and executive team.

When the Group acquires companies, the reporting practices of the acquired company are reviewed and integrated with corporate practices within a month of the acquisition date so that the Group can consolidate the acquired company within the Group accounts by the next quarterly financial report.

The Board of Directors performs an annual review of the company's most important areas of exposure to risk, including its internal control arrangements.

### 11. Remuneration of the Board of Directors

The General Meeting determines the annual remuneration to the Board of Directors. The remuneration shall reflect the Board of Directors' responsibility, expertise, time spent and the complexity of the operation. The remuneration is not dependent on results. No stock options have been granted to the Board members.

Members of the Board of Directors and/or companies with which they are associated, do in general not take on assignments for the company. If, however, such assignments are made, the matters are disclosed to the Board of Directors and the Board of Directors approves their remuneration.

If remuneration is provided to Board members in addition to the regular Board remuneration, this will be reported separately in the annual report. For a detailed account of the remuneration paid to Board members and their shareholdings in the company, see Note 7 and 16, respectively, to the annual accounts.

### 12. Remuneration of executive personnel

The CEO's remuneration is set by the Board of Directors, based on recommendation from the Compensation Committee. The remuneration of the CEO is specified in Note 6 to the annual accounts.

The Board of Directors has established guidelines for remuneration of the company's executives, which are submitted in a separate statement to the General Meeting. The guidelines set out the main principles applied in determining the salary and other remuneration to executives, are linked to value creation for shareholders and the company's earnings performance over time and incentivises performance based on quantifiable factors of which the executives can influence. Atea complies with the Code's requirement that it shall be clear which aspects of the guidelines are advisory and which, if any, are binding. Furthermore, Atea complies with the Code's requirement that the General Meeting shall vote separately on each of these aspects.

Performance related remuneration in the form of share options, bonus programmes or similar, to executive personnel is subject to an absolute limit.

### 13. Information and communication

#### Annual and interim reporting

The Group's financial calendar and presentations are published on the company's website ([atea.com/investors/financial-calendar/](http://atea.com/investors/financial-calendar/)). The Group presents its interim accounts on a quarterly basis and its annual accounts during the month of February. The complete financial statements and Board of Directors' report are published on the company's website at least twenty-one days prior to the General Meeting.

#### Other market information

The Group aims to increase investor awareness of Atea through an open, transparent and reliable information policy. In this manner, the Group seeks also to promote the liquidity of its shares and ensure that its share price reflects the fair value of Atea.

Open investor presentations are arranged in connection with the publication of the Group's annual and quarterly results. The Chief Executive Officer and Chief Financial Officer present the financial results of the Group and each business segment, and present additional information which is relevant to the company's future prospects. When publishing the preliminary annual accounts and the interim reports, the Group is holding public presentations that are simultaneously broad-

casted through webcasts. Investor-related information and presentations associated with the annual and quarterly results are available on the Group's website, [atea.com/investors](http://atea.com/investors).

In addition to the publication of financial results, the Board of Directors has authorized the Chairman, CEO and CFO to conduct regular meetings with analysts and investors. This improves communication and increases the Group's understanding of which matters are of particular concern to shareholders. During meetings, care is taken to ensure equal treatment of all investors. Caution with regard to distribution of non-public information is exercised in investor meetings outside of public presentations.

In the event of an emergency or serious incident at Atea, the Group has established a crisis management plan which provides additional governance and procedures on all communications from the Group.

### 14. Take-overs

The company's Articles of Association do not contain any defence mechanisms against the acquisition of shares, nor has any measures been taken to restrict the opportunity to acquire shares in the company. In the event of a takeover offer, the Board of Directors will seek expert advice in order to comply with applicable rules and regulations and will otherwise act in a manner to ensure equal treatment of shareholders, seek to avoid that the company's business activities are unnec-

essary disrupted and to ensure that the shareholders are given sufficient information and time to consider the offer.

The Board of Directors will not seek to hinder or obstruct take-over bids. In the event of a take-over bid for the company, the Board of Directors will seek to comply with the NUES recommendations, including obtaining a valuation from an independent expert and making a recommendation to Atea's shareholders regarding acceptance of the bid. The Board of Directors will ensure that shareholders are given sufficient information and time to form an opinion on an offer.

### 15. The Auditor

#### The Auditor's relationship with the Board of Directors

The auditor participates at the Board meeting where the annual accounts are discussed. At this meeting, the Board of Directors is briefed on the annual accounts and any matters of particular concern to the auditor, including matters where there has been disagreement between the auditor and the executive management of the company. The auditor provides the Audit Committee with an annual plan for the audit of the company and he has regular contact with the Audit Committee during the audit process so that the Audit Committee can fulfil its oversight responsibilities. At least once a year the auditor presents to the Audit Committee a review of the company's internal control procedures, including identified weaknesses, if any, and proposals for improvement.

The Board of Directors and the auditor meet at least once per year without management present.

The use of the external Group auditor for advisory services, tax services and other services outside the ordinary audit scope shall be pre-approved by the Group Chief Accountant if the total fee for the legal or reporting unit exceeds EUR 10,000. The external Group auditor is responsible for reporting such services to the Audit Committee and to perform an ongoing assessment of independence. Furthermore, the independence of the auditor is continuously monitored by the Audit Committee.

#### The Auditor's relationship with the Board of Directors

Deloitte has been the company's auditor since 2006. In 2016 the Auditing partner changed according to normal rotation rules. In addition to ordinary auditing, the auditing firm has provided services related to accounting, tax and reporting. Reference is made to Note 7 to the annual accounts. The corporate management holds regular meetings with the auditor. In these meetings the auditor reports on the company's accounting practices, risk areas and internal control routines. The auditor's remuneration is approved by the company's General Meeting, including a breakdown of remuneration between auditing and other services.

## 2. BOARD CHARTER

### 1. The Board's responsibilities

- 1.1 The Board is responsible for governance of the Company. The Board will ensure that there is a proper organization of the business.
- 1.2 The Board shall as necessary ensure that plans and budgets have been established for the Company's operations. The Board can also set more detailed guidelines for the operations of the Company.
- 1.3 The Board shall monitor the Company's financial position.
- 1.4 The Board has the duty to ensure that the operations, accounting, and assets of the Company are subject to careful control routines.
- 1.5 The Board shall oversee the daily management and the general operations of the Company.
- 1.6 The Board shall notify the boards of Atea's subsidiaries of matters of importance for the Group as a whole. Each subsidiary's board shall also be notified of decisions which are important for the subsidiary before a final resolution is taken.

### 2. Daily management

- 2.1 The CEO (daglig leder) has authority for the daily management of the Company's operations. The Board can provide the CEO with guidelines and regulations on how this authority shall be exercised.
- 2.2 Daily management does not cover matters which are of an unusual nature or of high consequence for the Company. The CEO may still take decisions on these matters if the decision cannot await a Board resolution without significant harm to the Company. The Board shall then be notified of the decision at the nearest opportunity.
- 2.3 The Board can give the CEO the authority to make a decision which otherwise should have been taken by the Board under paragraph 2.2.
- 2.4 The CEO will at least once per month, in a meeting or in written format, update the Board on the Company's operations, as well as its financial development and position. The Board can otherwise demand that the CEO or any other employee provide the Board with a more detailed report on specific topics. Such a report may also be requested by each indi-

vidual Board member. If necessary, the Board may itself conduct or require the CEO to conduct the required investigation.

- 2.5 The CEO shall participate in the Board's handling of cases and has the right to present his views unless otherwise decided by the Board.

### 3. Board meetings and duty of confidentiality

- 3.1 The Board shall handle issues in meetings, unless the Chairman determines the issue can be handled with sufficient care in a written or other format. The Chairman shall ensure that Board members can participate in the overall handling of issues outside of meetings.
- 3.2 The approval of the annual financial accounts and report to shareholders shall always take place in a meeting. Each of the Board members and the CEO can otherwise require that any other issues shall be handled in a meeting.
- 3.3 The Chairman is responsible for administering the Board meeting. If the Chairman is not present, and if a Vice Chairman has not been appointed, the Board will select an alternative leader for administering the Board meeting.

- 3.4 The Chairman shall ensure that an agenda for the Board meeting is established and that specific issues related to the Board's responsibilities are included on the Board agenda. Furthermore, the Chairman shall ensure that extraordinary Board meetings are scheduled when necessary. The CEO, in collaboration with the Chairman, shall prepare for topics which are to be addressed by the Board.

- 3.5 All issues shall be prepared and presented to the Board, so that the Board has a sufficient basis for taking a decision. Documents which are necessary to send out in advance of the meeting shall be sent together with the agenda for the meeting, unless this would harm the Company's interests.

- 3.6 The agenda for the Board meeting agenda and other documents shall be communicated to the Board members in a responsible manner and with sufficient advance notice.

- 3.7 Members of the Board have an obligation to ensure that the information they receive on the Company's affairs, including business secrets, contractual relations, financial status, production methods, business analyses and



calculations, technical documents or other sensitive information, are handled confidentially. This also applies to other information which the Board members become aware in connection with their Board responsibilities.

3.8 Members of the Board and other recipients of Board documents shall exercise due care when handling information they receive in their Board duties or work assignments for the Company. The Board documents shall be maintained in a protected area which is not accessible by outsiders. All Board documents shall be returned to Atea or destroyed at the end of the Board members' terms of duty for the Company.

3.9 The Board has approved regulations for primary insiders in Atea. Board members shall understand the regulations and oversee that the regulations are followed.

#### **4. Board resolutions**

4.1 The Board can make a resolution when more than half of the Board members are present or participate in the handling of an issue. Resolutions of the Board are based on majority vote. In the event of an equal vote, the resolution is based on the vote of the Chairman or the leader of the Board meeting, in the Chairman's absence.

4.2 The Board cannot make a resolution unless all Board members have been given the opportunity to participate in the handling of an issue. If a Board member is unable to attend the meeting and if a deputy Board member has been elected, the deputy Board member will be called into the meeting.

4.3 Elections or appointments shall be awarded to the candidate who receives the most votes. The Board can require in advance that additional rounds of voting be held if none of the candidates receive a majority of the votes.

#### **5. Minutes**

5.1 Minutes of the Board's handling of issues shall be prepared. At minimum, the minutes shall include time and place, participants, issues covered, and the Board resolution. All issues covered by the Board shall follow the requirements of the Norwegian Public Limited Liability Companies Act (allmennaksjeloven) § 6-24.

5.2 If a Board resolution is not unanimous, the Board minutes shall state who has voted for and against. If a Board member or the CEO disagrees with a resolution, they can demand that their opinion is stated in the Board minutes.

5.3 The minutes shall be signed by all Board members and deputy Board members who have participated in the handling of the Board issues.

#### **6. Independence**

6.1 The Board members and the CEO shall exercise their responsibilities to the Board out of fiduciary duty to the Company's interests.

6.2 Board members must not participate in the handling of issues for which they have a potential conflict of interest with their own personal or economic affairs. The same is true for the CEO.

#### **7. Compensation**

Board members and the CEO must not receive compensation for their work for the Company from others outside of the Company. Compensation which should not be received by the Board member or CEO shall also not be received by their close associates.

Board members or companies with which they are associated cannot take on work responsibilities for the Company without the entire Board being informed. Compensation for such work responsibilities must be approved by the Board.

#### **8. Misuse of position**

The Board must not take any action which is likely to give certain shareholders or others an unreasonable advantage at the cost of other shareholders or the Company.

#### **9. Communication**

If the Board shall communicate publicly, this should be done by the Chairman or, in his absence, a Vice Chairman or other Board member who has been selected by the Chairman. Board members who are requested to give statements to the press or other media should refer them to the Chairman or the CEO.

### 3. NOMINATION COMMITTEE CHARTER

#### **Duties of the Nomination Committee**

The Nomination Committee has the duty to give the following recommendations to the General Meeting:

- (i) candidates for election to the Board of Directors, including deputy members,
- (ii) the remuneration to the Board of Directors and
- (iii) candidates for election to the Nomination Committee.

#### **Composition and remuneration to the Nomination Committee**

The Nomination Committee shall be composed and elected in accordance with paragraph 7 of the company's articles of association.

The remuneration to the Nominating Committee shall be invoiced the company according to accrued time. Costs incurred by the nomination committee shall be borne by the company.

#### **The work of the Nomination Committee**

The chairman of the Nomination Committee shall have the overall responsibility for the work of the committee and shall summon for meetings, either as physical meetings or by other means, as and when he/she may deem fit.

Minutes of the Nomination Committee's meetings shall be issued and signed by the attending members.

In exercise of its duties, the Nomination Committee should have contact with the company's relevant main shareholders, the Board of Directors and the managing director of the company.

The Nominating Committee shall, when proposing candidates to the Board of Directors, try to ensure that the following considerations are taken into account;

- (i) continuity and renewal of the shareholders' representation in the Board of Directors,

- (ii) a composition of the Board of Directors that ensures a qualified professional support to the administration of the company and
- (iii) that the Board of Directors has adequate independence to the company's main shareholders to ensure that the Board of Directors' control functions are safeguarded.

When proposing members for election to the Nominating Committee, the Nominating Committee shall seek candidates which meet the following criteria;

- (i) are independent of the Board of Directors and the company's main shareholders,
- (ii) have competence and experience as board members,
- (iii) have good knowledge of the company's business and
- (iv) are well oriented in the Nordic industry and commerce.

The Board of Directors' report on its own performance should be made available to the Nomination Committee.

The Nomination Committee shall ensure that proposed candidates as members of the Board of Directors and members of the Nominating Committee, are willing to accept the assignment.

#### **The recommendations of the Nomination Committee**

The recommendations of the Nomination Committee should include relevant information on the candidates, including information on their education, work experience, capacity, independence, assignments carried out for the company, as well as the individual's material appointments with other companies and organisations. In the case of a proposal for re-election, the recommendation may refer to the information already provided in the annual report.

The recommendation of the Nomination Committee shall be substantiated.

The recommendations of the Nomination Committee should be made available to the Board of Directors within reasonable time prior to the date of summons for the General Meeting.

## 4. AUDIT COMMITTEE CHARTER

### 1. Purpose

The Audit Committee shall support the Board's governance and oversight responsibilities for:

- Accounting, control, and review of external audit
- Financial risk management
- Compliance with Group policies and relevant laws

The Audit Committee shall be nominated by, and report regularly to, the Board.

The Audit Committee supports the Board in administering and executing its administration and oversight responsibilities with regard to:

- (a) The Public Limited Liability Companies Act (allmennaksjeloven) § 6-41 til 6-43 and the relevant securities laws of Norway
- (b) The current corporate governance standards for public companies, as provided in the guidance from NUES

The Audit Committee's primary function is to support the Board with fulfilling its responsibilities with regard to:

- the integrity of the Company's external financial reporting,
- the Company's processes for external financial reporting and control,
- the Company's risk analysis and risk management,
- the external auditor's qualifications, independence and fulfillment of responsibilities

The Audit Committee shall oversee the implementation and administration of the Group's Code of Conduct, and oversee the Group's activities for following up on rules related to corruption, as described in more detail in this report.

### 2. Organization

The Board has established the charter for the Audit Committee. The Board appoints three of its members to the audit committee and names one as the committee's leader. The Audit Committee's members are appointed for a term of two years.

When appointing members to the Audit Committee, the Board shall consider the members' competence in financial routines, internal control and accounting principles. At least one of the members shall have experience within accounting or control, and be independent.

The CFO, as well the Group Chief Accountant, can at their own discretion report cases directly to the Audit Committee.

### 3. The Committee's responsibilities

The Audit Committee will address the following areas with Management and the external auditors:

1. Conduct quality assurance of the financial reporting on behalf of the Board, in connection with the annual and quarterly reports
2. Review the Group's quality assurance routines within financial reporting, including:
  - Accounting practice in the most important areas
  - Material accounting issues and evaluations

- Review the results of the annual external audit
- Receive information on material errors detected in the external audit (corrected and not corrected), and consequent disagreements with Management.
- Evaluate the need for an internal audit function

3. Oversee the Group's internal control and risk management systems, including:

- Embezzlement and criminality
- Material risks related to business activities
- Material risks related to internal controls
- Group insurance policies
- Procedures for securing compliance with the Code of Conduct

4. Communicate with the Company's auditor regarding the ongoing audit of the annual financial accounts, including:

- Overall audit planning and risk analysis
- Prioritization of audit resources

- Receive information on the content of audit papers and comments
- Questions regarding continuing operations
- Oversee the external auditor with regard to requirements regarding the rotation among members of the audit team
- Review and oversee the auditor's independence, including other services provided by the auditor.

5. Provide recommendations to the Board on the choice of auditor.

6. Handling of complaints:

The Audit Committee shall establish and administer procedures for receiving, reviewing and handling complaints regarding accounting, internal control and audit, including procedures for confidential and anonymous feedback from the Group's employees relating to problematic accounting and audit issues.

7. Review and oversee the Group's compliance function, including:

- Approve members of the Group compliance committee, who are nominated by the Group compliance officer
- Receive immediate reporting from the Group's compliance committee regarding extraordinary cases tied to corruption
- Receive quarterly reports from the Group's compliance committee regarding: 1) significant issues reported to the whistle blower

hotline, 2) significant breaches of laws or of the Group's Code of Conduct

- Provide recommendations annually to the Board regarding changes to the Code of Conduct.

8. Self-evaluation of performance

- The Audit Committee shall annually evaluate the performance of its own responsibilities.
- The Audit Committee will base its evaluation on the assumption that Management and the external auditor have raised such issues to the Audit Committee, as necessary for the Audit Committee to fulfill its responsibilities as defined under point 3.

#### 4. Meetings

The Audit Committee shall meet in connection with the quarterly and annual external financial reporting, or otherwise as frequently as necessary.

The Audit Committee decides which of the Group's representatives shall participate in the meetings. Atea's CFO is the main representative of Management with regard to the Audit Committee. The CFO or Chief Accountant is the committee's secretary. The CFO will be present in the Audit Committee's meetings. The CEO and Board members have the right to participate in meetings of the Audit Committee. Members of the Group compliance committee will participate in meetings when relevant.

The external auditor participates in meetings when required by the agenda.

Each ordinary meeting shall end with a private discussion only for the members of the Audit Committee.

The Audit Committee shall meet with the external auditor at least once per year without anyone from Management present.

Minutes from the Audit Committee meetings shall be maintained. The minutes will state the time and place for the meeting, a list of the meeting's attendees, an agenda, a summary of the items which were discussed, and significant issues which were raised during the meeting regarding accounting and internal control in connection with financial reporting.

#### Meeting plan

Throughout the year, the Audit Committee will handle the following topics in addition to the quarterly report:

##### 1. January/February:

Review:

- Result of the external audit
- Evaluate continuing operations
- Quarterly report from the compliance committee regarding: 1) significant issues reported to the whistle blower hotline, 2) significant breaches of laws or of

the Group's Code of Conduct, and 3) complaints related to accounting, internal control or audit

d. Reporting from the Group compliance committee on any extraordinary cases tied to corruption

e. Meeting with the auditor without the administration present

##### 2. March

- Review of annual report
- Overall risk management
- Give recommendations to the Board on possible changes to the Code of Conduct
- Give recommendation on choice of auditor
- Pre-approve external auditor's compensation (for audit and for other services)

##### 3. April:

- Update Audit Committee charter
- Evaluate need for internal audit
- Quarterly report from the compliance committee regarding: 1) significant issues reported to the whistle blower hotline, 2) significant breaches of laws or of the Group's Code of Conduct, and 3) complaints related to accounting, internal control or audit
- Reporting from the Group compliance committee on any extraordinary cases tied to corruption

**4. July:**

- a. Quarterly report from the compliance committee regarding: 1) significant issues reported to the whistle blower hotline, 2) significant breaches of laws or of the Group's Code of Conduct, and 3) complaints related to accounting, internal control or audit
- b. Reporting from the Group compliance committee on any extraordinary cases tied to corruption

**5. October:**

- a. Overall risk management
- b. Review overall compliance function
- c. Annual self-evaluation of the performance of the Audit Committee
- d. Quarterly report from the compliance committee regarding: 1) significant issues reported to the whistle blower hotline, 2) significant breaches of laws or of the Group's Code of Conduct, and 3) complaints related to accounting, internal control or audit

- e. Reporting from the Group compliance committee on any extraordinary cases tied to corruption

**6. November/December:**

- a. Auditor reviews preliminary results of audit
- b. Auditor presents audit risk analysis
- c. Rotation requirements among members of the audit team
- d. Review external auditor's procedures on independence and quality assurance
- e. Follow up on significant accounting principles
- f. Update on any relevant new legal frameworks
- g. Overall self-analysis, strategy and audit planning
- h. Management's review of business processes and internal controls
- i. Assess risk for embezzlement and corruption
- j. Review of Group insurance policies

**5. Power of attorney**

In order to fulfill its responsibilities, the Audit Committee can investigate any activities and affairs related to the company's operations. In connection with this, the Audit Committee can request the CEO to provide access to information, equipment, and personnel.

Furthermore, the Audit Committee can use the Group's management, external auditor or external advisors to conduct the necessary investigations to fulfill its responsibilities.

**6. Reporting**

Minutes from the Audit Committee meeting shall be sent to Board members before the next Board meeting if this is deemed necessary. Meetings in the Audit Committee that deal with the annual and quarterly reports shall be scheduled in coordination with the Board meetings which cover these reports. During these meetings, the leader of the Audit Committee can communicate findings from the Audit Committee verbally to the entire Board.

The Board can at any time require a more detailed verbal or written report from the Audit Committee.

**7. Limitations to the roles of the Audit Committee**

The Audit Committee is only responsible toward the Board in connection with the execution of their responsibilities. The Board has the full and entire responsibility for the work of the Audit Committee.

Management is responsible for developing and presenting to the Board the Group's external annual and quarterly report, and the external auditor is responsible for auditing and/or reviewing these reports. Even if the Audit Committee has been trusted with responsibilities according to this mandate, it is not the Audit Committee's responsibility to plan or execute audits or to confirm that the Group's accounting, profits or cash flow give a correct impression of the Group's financial position in accordance with good accounting practice. By conducting its responsibilities, the Audit Committee is not providing an expert opinion or other confirmation when it comes to the Group's accounting or the external auditors' work.

## 5. COMPLIANCE COMMITTEE CHARTER

### Statement of Purpose

The compliance committee shall provide assistance to the company's management and the audit committee to enable Atea Group to continue to operate according to the highest ethical business standards and in accordance with applicable law and regulations.

The compliance committee shall:

- Facilitate the development, implementation and operation of an effective compliance regime for the Group
- Promote a culture in the Group that encourages law abiding and ethical conduct
- Consider and resolve issues of interpretation regarding any aspect of the compliance regime, hereunder the Groups' code of conduct
- Assist the Groups' regional compliance organizations in accomplishing their missions by providing cross-functional resources to the organization where appropriate
- Provide to the regional compliance organization such other assistance and support as may from time to time be considered appropriate by the committee

### Membership

The committee shall consist of at least three members. The members shall be selected from the management of the Group in a way to provide the compliance organization with a broad connection across the functions and organizations of the Group hereunder include persons with legal, operational and accounting skills and experience. The committee shall be chaired by the Group CFO.

### Responsibilities

1. Develop, review and oversight of compliance program hereunder code of conduct, including evaluation of its effectiveness, receiving updates about the activities from the compliance function in each country,
2. Act on recommendations from the compliance functions in each country such as adopting policies, identifying and prioritizing compliance risks, and implementing strategies for mitigating them

3. Advise and assist the compliance function in each country so that such policies, guidelines and standards are effectively communicated to appropriate employee Groups through effective training programs and other communication initiatives;
4. Review status of Groups' compliance with relevant laws, regulations and internal procedures,
5. The Committee in consultation with the compensation bodies will discuss with management an evaluation of whether compensation practices, including sales incentives for sales and marketing, are aligned with the Company's compliance obligations,
6. Review and evaluate internal reports and external data, based on criteria to be developed by the committee, to assess whether there are significant concerns regarding the Groups' regulatory and/or compliance practices, including

- a. At least each quarter, receive a report from the compliance function in each country on 1) key compliance issues and the steps taken to address them, 2) high risk areas and the risk mitigation actions taken, 3) regarding significant compliance investigations and 4) details and factual reports on relevant investigations in the industry or comparable businesses, and in case of corruption cases receive reports immediately from the relevant local compliance function,
- b. At least annually, receive a report from internal controllers/auditors on the number of internal control assessment's undertaken, and the results hereof,
- c. The committee may, in its discretion, commission external reviews of the compliance function, including policies, procedures and practices,
- d. Receive in its discretion reports from management on internal messaging to employees regarding the Code of Conduct,
- e. Evaluate and report to the audit committee and management on the adequacy of compliance staffing for the Group,

7. Oversee the implementation of the Groups' compliance program with respect to acquisitions or similar where the Group exercises a controlling interest,
8. Establish and develop mechanisms and internal procedures for employees to report suspected misconduct or violations of Group compliance and ethic related polices (whistle blower hotline), hereunder keep statistics regarding received reports and review of status and disposition of the whistle blower hotline,
9. Establish and implement a process to determine if violations of laws or regulations of Group policies should be reported to the board of directors, CEO, audit committee or appropriate governmental officials,
10. The committee shall report at least quarterly to the audit committee on compliance hereunder whistle blower statistics, and immediately in the event of cases relating to corruption or other serious breaches of law and/or Code of Conduct,
11. The committee is authorized in its discretion to retain outside appropriate experts and consultants in the discharge of its responsibilities,
12. The committee is authorized in its discretion to require management to conduct audits on compliance, regulatory and/or legal concerns, and direct whether or not the committee shall be the direct recipient of such an audit.
13. The compliance committee shall retain a direct line of communication with and a direct reporting responsibility to the audit committee and the CEO.

#### **Meetings**

The Committee shall meet at least quarterly.

The Committee shall have the authority to decide on meetings at their discretion with any persons/ bodies – inside or outside – that it deems necessary to fulfil its responsibilities.

## 6. PRIMARY INSIDER REGULATIONS

### 1. Definitions

#### 1.1 Financial Instruments

"Financial Instruments" shall mean transferable securities (i.e. shares and other securities equivalent to shares, bonds, other negotiable debt instruments and any other transferable securities) and options and financial futures/forward contracts or equivalent rights relating to such securities that are issued by Atea ASA ("the Company").

#### 1.2 Primary Insiders

"Primary Insiders" shall mean:

- Members of the Board of Directors
- Deputy members of the Board of Directors
- Senior employees who can normally be expected to have access to Price-Sensitive Information
- Senior employees and members of the Board of Directors of a company within the same group as the Company who can normally be expected to have access to Inside Information
- Auditor

A list of the Primary Insiders shall be filed with Oslo Børs according to statutory regulations and kept updated by CFO of the Company to include future changes.

All Primary Insiders must confirm that they have read and accept the Insider Trading Regulations using the form attached hereto as **Exhibit 1**.

#### 1.3 Clearing Responsible

"Clearing Responsible" shall mean the person appointed by the Board of Directors to serve with clearing responsibility (hereinafter referred to as Clearing Responsible). This function will be held by the Chief Financial Officer, unless otherwise determined by the Board of Directors.

Clearing for the Clearing Responsible shall be made by the Chairman of the Board.

#### 1.4 Price-Sensitive Information

"Price-Sensitive Information" shall mean any information of precise nature relating to Financial Instruments, the Company or other circumstances which has not been made public and is not commonly known in the market and which is likely to have significant effect on the price of Financial Instruments or of related financial instruments.

#### 1.5 Close Associate

"Close Associate" means spouse or other person with whom the Primary Insider lives in marital-like circumstances, their own under-aged children, under-aged children of the spouse or the like and companies over which the Primary Insider or other persons mentioned herein has a controlling interest (ref. The Norwegian Public Companies Act, section 1-3) and a party with whom the Primary Insider must be assumed to be acting in concert in the exercise of rights accruing to the owner of Financial Instruments.

### 2 General trading prohibition

2.1 Subscription, purchase, sale or exchange of Financial Instruments or advising others on such dispositions must not be undertaken by anyone (Primary Insider or others) who has Price-Sensitive Information. Violation of this policy is subject to sanctions under the terms of the Norwegian Securities Trading Act.

2.2 The trading prohibition in article 2.1 does not prevent the normal performance of option or future contracts previously entered into upon the expiry of such contracts.

### 3 Duty to investigate and clear

3.1 Primary Insiders must not subscribe for or incite anyone to subscribe for, purchase, sell or exchange Financial Instruments without properly INVESTIGATING whether there exists Price-Sensitive Information in the Company.

3.2 Primary Insiders shall CLEAR all trades and incitements to trades in Financial Instruments prior to such trade or incitement. Request for clearance shall be forwarded in writing to Clearing Responsible, on such form as attached hereto as Exhibit 2.

3.3 Incitement other than organized by the Company in connection with share issues etc. shall not take place.

### 4 Procedure for clearance

4.1 Before answering a request for clearance, the Clearing Responsible shall properly investigate to establish whether clearance can be granted. This investigation must be conducted without undue delay.



4.2 If the Clearing Responsible finds that there exists Price-Sensitive Information, the request for clearance must be denied. In the opposite case it shall be approved.

4.3 The request for clearance must be answered in writing without undue delay, on forms attached hereto as Exhibit 2.

## 5 Effect of clearance

5.1 Subscription, purchase, sale or exchange of Financial Instruments, or advise to such dispositions, is only considered cleared if a binding agreement on subscription for, purchase, sale or exchange of Financial Instruments is concluded within 7 days from the date of clearance. If a binding agreement is not concluded within this period, a new clearance is required.

5.2 Notwithstanding clearance in accordance with article 4, subscription, purchase, sale or exchange of Financial Instruments, or incitement to such dispositions, must not take place if the Primary Insider receives Inside Information during the period after the clearance has been given and before the trade has been carried out.

5.3 If the Clearing Responsible during a period in which one or more Primary Insiders have clearance becomes aware of Inside Information, he shall immediately revoke such clearances.

## 6 Record keeping and storage

6.1 A copy of the request for clearance and the answers to such requests shall be kept for at least 5 years.

6.2 Forms for clearance can be obtained from the Clearing Responsible.

## 7 Duty to report on close associates

7.1 Primary Insiders shall report to the Company if any Close Associates of the Primary Insider holds Financial Instruments.

## 8. Duty to report own trades and close associates' trades to the Oslo Exchanges

8.1 Primary Insiders shall immediately notify the Oslo Exchange of any purchase, sale or subscription made by the Primary Insider or a Close Associate for shares issued by the Company or by other companies in the same group as the Company. The same applies to

loans as mentioned in section 11-1 of the Norwegian Public Limited Companies Act of 13 June 1997 No 45, agreements on, purchase or sale of subscription rights, options and corresponding rights connected with shares as mentioned.

8.2 Notification shall be sent no later than the start of trading on the Oslo Exchange the day after the purchase, sale or subscription took place.

## 9 Duty to notify when disclosing inside information

9.1 Clearing Responsible must immediately be notified in the event that any person who is not employed by the Company or is not holding any elected position in the Company is given access to Price-Sensitive Information. CFO shall update lists of all persons who gets access to Price-Sensitive Information, including employees who are not registered as Primary Insiders.

## 10 Duty of confidentiality and prohibition against rendering advice

10.1 Any person (Primary Insider or other) who receives access to Price-Sensitive Information, must not pass such information to other unauthorized parties. Further, any person (Primary Insider or other) who is in possession of Inside Information must not give advice to others about trading in Financial Instruments.

10.2 Any person (Primary Insider or other) who receives access to Price-Sensitive Information shall exercise due caution and take reasonable actions to avoid such information from being passed on to unauthorized parties.

### Attachments:

**Exhibit 1:** Confirmation of Acceptance  
– Primary Insider Regulations

**Exhibit 2:** Request for clearance of trading

## EXHIBIT 1

### CONFIRMATION OF ACCEPTANCE – PRIMARY INSIDER REGULATIONS

To: Group CFO

From: (Primary Insider)

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Date:

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The undersigned confirms that he/she has read and accepts the Primary Insider Regulations for Atea ASA, as approved by the Board of Directors on February 7, 2017.

**Signature:**

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Please send completed forms to Group CFO Robert Giori, [Robert.giori@atea.com](mailto:Robert.giori@atea.com)

## EXHIBIT 2

### REQUEST FOR CLEARANCE OF TRADING

To: Group CFO

From: (Primary Insider)

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Date:

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The undersigned has properly investigated whether there exists specific and confidential information regarding Atea ASA that may have an influence on the price of its Financial Instruments. I have not found that such information exists.

I request clearance for purchase or sale of (circle)

\_\_\_\_\_ Shares

\_\_\_\_\_ Options

\_\_\_\_\_ Futures/forwards

**Signature:**

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**Tick appropriate:**

Request approved \_\_\_\_\_

Request denied. \_\_\_\_\_

Date: \_\_\_\_\_

**Signature:**

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Please send completed forms to Group CFO Robert Giori, [Robert.giori@atea.com](mailto:Robert.giori@atea.com)



## **Holding**

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## **Group Shared Services**

### **Atea Global Services SIA**

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# ATEA