

## **RECOMMENDATIONS BY THE NOMINATION COMMITTEE**

To the Annual General Meeting of Smartcraft ASA on 20 May 2022

### **The work of the nomination committee**

The nomination committee of Smartcraft ASA consists of:

- Arild Bødal (chairperson) and
- Ingeborg Aavatsmark

Contact details of the chairperson are available on the Company's website ([link](#))

The nomination committee has performed its work in accordance with the Instructions for the nomination committee as adopted by the Extraordinary General Meeting of Smartcraft ASA on 25 May 2021 (the "Instructions") and in accordance with the recommendations in the recommendations of the Norwegian Corporate Governance Board. The nomination committee has held a total of six meetings during 2021-2022. The resolutions set out herein are unanimous.

Pursuant to the Articles of Association and the resolution by the Annual General Meeting of Smartcraft ASA on 21 April 2021, all the members of the board of directors have been elected for a period of two years from 21 April 2021. Accordingly, none of the members of the board of directors are up for election this year. Further, pursuant to the Extraordinary General Meeting of Smartcraft ASA on 25 May 2021, both members of the nomination committee have been elected for a period of two years from 25 May 2021. Accordingly, none of the members of the nomination committee are up for election this year. The nomination committee will therefore not propose any changes to or re-election of members of the board of directors or the nomination committee this year.

The nomination committee has nonetheless conducted a thorough evaluation of the board of directors through individual dialogues with the chairperson of the board of directors, the CEO and the largest shareholders of the company. The annual report provides key information on the members of the board of directors and their record of attendance at board meetings. Pursuant to the Instructions, the board of directors will pass on its evaluation of its own activities and competence to the nomination committee. The nomination committee will be presented with the board of directors' evaluation for the preceding period the Fall of each year (first time 2022).

The nomination committee is of the view that the current members of the board of directors overall represent a composition with relevant competence and experience well suited for the company, and that the composition of the board of directors meets the requirements of applicable laws, the Instructions and the recommendations of the Norwegian Corporate Governance Board. The nomination committee will revert with a proposal for changes to and/or re-election of members to the board of directors in connection with the Annual General Meeting in 2023.

**The nomination committee presents the following recommendation to the Annual General Meeting of Smartcraft ASA on 20 May 2022**

## 1 Proposed fees for the board members

Pursuant to § 8 of the company's articles of association, the nomination committee shall give recommendations to the general meeting for remuneration to the members of the board of directors and the members of the nomination committee.

At the Annual General Meeting in 2021, it was resolved that the members of the board of directors should receive remuneration in the range of NOK 100,000 to NOK 150,000. Since then, the company has been listed on the Oslo Stock Exchange, which calls for an increase in the remuneration to the members of the board of directors.

The nomination committee has reviewed the remuneration of directors in comparable companies, as specified in the annual survey of directors' remuneration in listed companies compiled by the Norwegian Institute of Directors. The nomination committee has emphasized that the remuneration in Smartcraft ASA should be at a moderate but competitive level. Given the size of the company's revenues and earnings, a compensation level below the Oslo Stock Exchange average is in the view of the nomination committee fair.

The fact that board members own shares in the company can contribute to greater common interest between shareholders and board members. The nomination committee views positively that board members own shares in Smartcraft ASA and will encourage each individual board member to assess (additional) share ownership and the extent of this.

The nomination committee proposes that the fees payable to the members of the board of directors are set as follows for the period from the Annual General Meeting in 2021 to the Annual General Meeting in 2022:

- The chairperson of the board of directors: NOK 350,000
- Directors of the board of directors: NOK 175,000
- Additional fee to the members of the audit committee: NOK 40,000
- Additional fee to the members of the remuneration committee: NOK 10,000

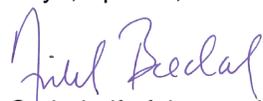
Board members Carl Ivarsson and Allan Engström, who represent Valedo Partners, have refrained from receiving remuneration.

## 2 Proposed fees for the nomination committee

The nomination committee proposes that the fees payable to the members of the nomination committee are set as follows for the period from 25 May 2021 to the Annual General Meeting in 2022:

- Arild Bødal (chairperson): NOK 35,000
- Ingeborg Aavatsmark: NOK 30,000

Stryn, April 22, 2022



On behalf of the nomination committee of Smartcraft ASA  
Arild Bødal