

# Report and Recommendations from the Nomination Committee to the 2023 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 2022, 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 Board of Directors
- 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 out of four of the employee 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 2022, the Board of Directors of Nordic Semiconductor consisted of the following shareholder elected Directors:

Birger Steen, Chair (2017) Member of People & Compensation (“P&C”) Committee, M&A Committee

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

Anita Huun (2019) Member of Audit Committee, M&A Committee

Endre Holen (2019) Member of P&C Committee

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

Øyvind Birkenes (2019) Member of Sustainability Committee

Annastiina Hintsu (2019) Member of Sustainability Committee

The Board is currently composed of seven independent Directors. 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 complexity of Nordic Semiconductor's business environment and the Board of Directors workload have increased over the years. NOD's product portfolio has grown into new areas like Cellular, PMICs, WiFi and SaaS, needing full focus and attention from the BoD. Geopolitical and macroeconomic conditions have increased the risk for the semiconductor industry in general. The BoD is actively used as a resource for support for the company and its management in areas like Sustainability, M&A, Succession, Compensation, Coaching and general strategy. The Nomination Committee has, during meetings with members and management, strongly focused on the dynamics during board meetings to reveal whether the size of the board is too big. The Company currently has a Board consisting of 7 shareholder elected members, and, in line with Norwegian law, 4 employee representatives. The feedback is clear;

Yes, it is a big board, but the board meetings are well conducted, and discussions are open and fruitful. The unison feedback is that the size of the board is not a problem, and given the increased workload and committee work, we do not recommend reducing the number of shareholder elected board members from 7 to 5. The Nomination Committee believes that it is important that the composition of the board comprise a wide array of relevant expertise, and that the board members have ample work capacity to handle committee work, succession planning, market strategy and Ad Hoc issues.

## Board of Directors

In the Nomination Committee's considerations, it has emphasized that the BoD's composition reflects a variety of experience, understanding, knowledge and qualifications required to meet the needs of the Company. 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) .

Even though the Nomination Committee feels that the current BoD is performing and contributing very well, we believe that even more industry knowledge is needed to prepare NOD for the coming years.

The Committee suggests that the following candidates from 2022 AGM shall be reelected as Directors at this year's AGM.

Birger Steen, Chair. (2017)

Inger Berg Ørstavik (2017)

Anita Huun (2019)

Jan Frykhammar (2019)

Annastiina Hintsa (2019)

In addition, we strongly believe that the following two candidates are ideal to lift the industry competence in the BoD even further:

Snorre Kjesbu is currently Senior Vice President & General Manager of Cisco Collaboration Devices. He is a global citizen leading a worldwide organization responsible for the collaboration devices business ranging from IP phones to immersive video systems. Snorre's passion for design with over 20 years of engineering experience are at the core of his belief in always providing authentic user experiences.

Prior to his return to Cisco, Snorre was Executive VP of Design, Creation and Fulfillment at BANG & OLUFSEN in Copenhagen. His résumé also includes SVP at Tandberg and being responsible for R&D on wireless communication at ABB. He and his team at ABB were awarded the Wall Street Journal Innovation award for their work on wireless sensors in 2002.

Snorre holds a Master of Science from the University of Bristol and has been a guest lecturer at the Stanford Network Research Center in Stanford University. He has obtained more than 20 patents in the areas of communications and video conferencing and is on the board of directors for several IT companies. When not working, Snorre can likely be seen on a pair of skis – whether on snow or water.

Niels Anderskov is a veteran in the Semiconductor Industry with 25+ years of experience as a Technology Executive. Niels currently serves as the Chairman of Keepit, a market leading SaaS Data Protection company.

Previously, Niels has served as Senior Vice President and Executive Officer of Texas Instruments, where he up till his retirement in 2021 was responsible for the company's multi-billion-dollar Analog Power Product strategic business entity. Throughout his career Niels has managed several strategic billion-dollar semiconductor businesses within the areas of Embedded Processing, Analog Signal Chain and Power Electronics.

Before joining Texas Instruments, Niels was Co-Owner, President & Chief Executive Officer of Toccata Technology, a Danish start-up company that pioneered wide-spread use of highly efficient and environment friendly class D audio amplifiers. Niels led the successful sale of Toccata Technology to Texas Instruments in 2000.

Niels is a graduate from the Technical University of Denmark having earned a Master of Science degree in Electrical Engineering in 1995 and he holds multiple patents in the field of Power Electronics.

The Nomination Committee is of the opinion that the proposed BoD,

Birger Steen

Inger Berg Ørstavik

Anita Huun

Jan Frykhammar

Snorre Kjesbu

Niels Anderskouv

Annastiina Hintsa

will have the competence necessary to establish an Audit Committee, in accordance with the competency requirements of the Public Companies Act section 6-42.

### Directors' remuneration 2023

The Nomination Committee has reviewed remuneration levels for BoD members with relevant peer companies in Norway. Given the strong rise in Norwegian CPI in 2022 combined with the need of being able to keep and attract relevant, top qualified candidates, the Nomination Committee suggests increasing the remuneration for 2023 by about 5%.

For the period from the 2023 AGM to the 2024 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 160,625	NOK 10,500	NOK 7,875	NOK 7,875
Committee Chair		NOK 21,000	NOK 15,750	NOK 15,750
Chair	NOK 750,000 + Shares for NOK 462,750			

The share-based part of the compensation is paid after the AGM in 2023, and the number of shares shall be based on the tax adjusted amount due in NOK (respectively NOK 160,625 and NOK 462,750 minus tax) divided by the share price at closing of the AGM day 2023.

Participation for individual Board members in additional meetings with ad hoc committees is compensated with NOK 7,875 per meeting. This also applies for participation in additional working group meetings for individual members in either Audit Committee or PCC. Maximum payment for additional working group meetings is NOK 78,750 per Board Member.

In addition, the Nomination Committee proposes to remunerate members of the Board USD 3,150 for each meeting taking place in the USA related to company activities. A travel time allowance of USD 5,250 is proposed for travels from the United States to Norway, and USD 1,050 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 5,250) per scheduled meeting, will be lowered to USD 2,625 per 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 2023 AGM.

Viggo Leisner (Chair)

Eivind Lotsberg

Fredrik Thoresen

The Nomination Committee proposes that the fees for the period between the 2023 AGM to the 2024 AGM will be NOK 63,000 (+ NOK 3,000 from the preceding years) 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 16, 2023

Eivind Lotsberg, Fredrik Thoresen and Viggo Leisner