

## CORPORATE GOVERNANCE PRINCIPLES

(*The corporate governance principles were adopted by the board of directors on 1 October 2019 with effect from the listing of the Company's shares on Oslo Axess (now Euronext Expand Oslo)*)

### 1 GOVERNANCE PRINCIPLES

OMASA considers good corporate governance to be a prerequisite for value creation and trustworthiness, and for access to capital.

In order to secure strong and sustainable corporate governance, it is important that OMASA ensures good and healthy business practices, reliable financial reporting and an environment of compliance with legislation and regulations across the Group.

OMASA has governance documents setting out principles for how business should be conducted. These apply to all Group entities. References to certain more specific policies are included in this corporate governance policy (the "**Corporate Governance Policy**") where relevant. OMASA's Corporate Governance Policy is approved by the board of directors of OMASA.

In this document the "executive management" is defined as the Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**") unless otherwise specified.

#### 1.1 Legal environment for the Company

##### Overview

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Legal status	<ul style="list-style-type: none"><li>Norwegian public limited liability company.</li></ul>
Country of incorporation	<ul style="list-style-type: none"><li>Norway.</li></ul>
Regulated market place	<ul style="list-style-type: none"><li>Euronext Expand Oslo.</li></ul>
Company registration no.	<ul style="list-style-type: none"><li>822 907 822.</li></ul>
LEI code:	<ul style="list-style-type: none"><li>9845005F38B74FFJ1B65.</li></ul>
Applicable legislation	<ul style="list-style-type: none"><li>The Norwegian Public Limited Liability Companies Act;</li><li>the Norwegian Securities Trading Act (the "<b>STA</b>");</li><li>the regulations to the STA;</li><li>Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation), as implemented in Norway in accordance with section 3-1 of the Norwegian STA ("<b>MAR</b>");</li><li>Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended and as implemented in Norway in accordance with section 7-1 of the Norwegian STA;</li><li>the Norwegian Accounting Act (the "<b>Accounting Act</b>"); and</li><li>other applicable legislation.</li></ul>
Applicable rules and recommendations	<ul style="list-style-type: none"><li>Euronext Rule Book – Book I: Harmonised Rules ("<b>Rule Book I</b>") and Oslo Rule Book II – Issuer Rules regarding non-harmonies rules for issuers listed on the Oslo Stock Exchange and Euronext Expand ("<b>Rule Book II</b>" and, together with Rule Book I, the "<b>Rule Books</b>"), as interpreted or implemented by "notices" issued by the Oslo Stock Exchange for the purpose</li></ul>

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| of interpreting or implementing the rules set out in the Rule Books or any other purpose contemplated by the Rule Books; | <ul style="list-style-type: none"> <li>• the Norwegian Code of Practice for Corporate Governance (<i>Nw. "Norsk anbefaling for eierstyring og selskapsledelse"</i>), as amended (the "<b>Code</b>"); and</li> <li>• other applicable rules and recommendations, Norwegian as well as foreign.</li> </ul> |
| Competent supervisory authorities  | <ul style="list-style-type: none"> <li>• The Norwegian Financial Supervisory Authority (<i>Nw. Finanstilsynet</i>) (the "<b>NFSA</b>"); and</li> <li>• Oslo Børs, a stock exchange/regulated market operated by Oslo Børs ASA (the "<b>Oslo Stock Exchange</b>").</li> </ul>                             |

OMASA is incorporated and registered in Norway and is subject to Norwegian law. The OMASA shares are listed on Euronext Expand Oslo, a stock exchange/regulated market operated by Oslo Børs ASA (the "**Oslo Stock Exchange**"). As a Norwegian public limited liability company listed on Euronext Expand, OMASA must comply with the STA, the Rule Books, the Norwegian Public Limited Liability Companies Act and all other applicable laws and regulations.

## **1.2 Compliance and report on corporate governance**

The Company endorses the Norwegian Code of Practice for Corporate Governance (*Nw.: "Norsk anbefaling for eierstyring og selskapsledelse"*), issued by the Norwegian Corporate Governance Board, most recently revised on 17 October 2018 (the "**Code**").

The Code is based on "the comply or explain principle" whereby listed companies must comply with the Code or explain why they have chosen an alternative approach. OMASA will follow the Code, and any deviation from the Code will be included in a statement of policy on corporate governance included in the Company's annual report. A description of the most important corporate governance principles of the Company shall also be made available for external interest parties on the Company's website in accordance with the Company's IR-policy. By publishing an overview of all aspects of the Company's corporate governance, shareholders and other interested parties are more equipped to evaluate the extent to which the Company follows principles of good corporate governance.

## **2 MAIN OBJECTIVES FOR CORPORATE GOVERNANCE IN OMASA**

OMASA's corporate governance policy is based on the Code and, as such, it is designed to establish a basis for good corporate governance, to support achievement of the Company's core objectives on behalf of its shareholders, including the achievement of sustainable profitability for the shareholders of OMASA. The manner in which OMASA is governed is vital to the development of its value over time.

OMASA believes that good corporate governance involves openness and trustful cooperation between all parties involved in the Group: the shareholders, the board of directors and management, employees, customers, suppliers, public authorities and the society in general.

By pursuing the principles of corporate governance, approved by the board of directors of OMASA, the board of directors and executive management shall contribute to achieving the following objectives:

- **Openness.** Communication with the interest groups of OMASA shall be based on openness on issues relevant to the evaluation of the development and position of the Company.

- **Independence.** The relationship between the board of directors, the executive management and the shareholders shall be based on independence. Independence shall ensure that decisions are made on an unbiased and neutral basis.
- **Equal treatment.** One of OMASA's primary objectives is equal treatment and equal rights for all shareholders.
- **Control and management.** Good control and corporate governance mechanisms shall contribute to predictability and reduce the level of risks for shareholders and other interest groups.

The development of, and improvements in, the Company's corporate governance principles are ongoing and important processes that the board of directors intends to focus on.

### **3 BUSINESS**

The operations of the Company and its subsidiaries shall be in compliance with the business objective set forth in OMASA's articles of association, which shall be stated in the Company's annual report together with the Group's primary objectives and strategies.

The board of directors has defined objectives, strategies and risk profiles for the Company's business activities, such that the Company creates value for its shareholders. These objectives, strategies and risk profiles are evaluated annually.

The Company's business objective reads as follows: "*The company's objective is to develop, produce, market and sell medical technical equipment and related products, provide connected consulting services and invest in related business.*"

### **4 EQUITY AND DIVIDENDS**

#### **4.1 Capital adequacy**

The board of directors is responsible for ensuring that the Group is adequately capitalised relative to the risk and scope of operations and that the capital requirements set forth in laws and regulations are met.

The Company shall have an equity capital at a level appropriate to its objectives, strategy and risk profile. The board of directors shall continuously monitor the Group's capital situation and shall immediately take adequate steps if the Company's equity or liquidity is less than adequate.

#### **4.2 Dividend policy**

The Company shall, at all times, have a clear and predictable dividend policy established by the board of directors. The dividend policy forms the basis for the board of directors' proposals on dividend payments to the Company's general meeting. The dividend policy shall be disclosed to the shareholders. The background for any proposal to grant the board of directors an authorisation to approve the distribution of dividends should be explained.

#### **4.3 Authorisations to the board of directors**

Any authorisation granted to the board of directors to increase the Company's share capital or to purchase treasury shares shall be restricted to defined purposes. When the general meeting is to pass resolutions on such authorisations to the board of directors for different purposes, each authorisation shall be considered and resolved separately by the general meeting. Authorisations granted to the board of directors to increase the share capital or purchase treasury shares shall be

limited in time, and shall in no event last longer than two years. However, it is recommended that an authorisation to increase the share capital or purchase of treasury shares does not last longer than until the Company's next annual general meeting. The Company will follow this recommendation.

## **5 EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH CLOSE ASSOCIATES**

### **5.1 Basic principles**

The Company has only one class of shares. Each share in the Company carries one vote, and all shares carry equal rights, including the right to participate in general meetings. All shareholders shall be treated on an equal basis, unless there is just cause for treating them differently.

### **5.2 Share issues without pre-emption rights for existing shareholders**

In the event of an increase in share capital through issuance of new shares, a decision to deviate from existing shareholders' pre-emptive rights to subscribe for shares shall be justified. Where the board of directors resolves to issue shares and deviate from the pre-emptive rights of existing shareholders pursuant to an authorisation granted to the board of directors by the general meeting, the justification will be publicly disclosed in a stock exchange announcement issued in connection with the share issuance.

### **5.3 Transactions in treasury shares**

Any transactions in treasury shares carried out by the Company shall be carried out on Euronext Expand, and in any case at the prevailing stock exchange price. In the event that there is limited liquidity in the Company's shares, the Company will consider other ways to ensure equal treatment of shareholders.

*All transactions in treasury shares must be evaluated in relation to, inter alia, the following rules, requirements and prohibitions as set out in the STA and MAR:*

- *the rules on duty of disclosure, cf. article 17 of MAR;*
- *the requirement for equal treatment of all shareholders, cf. section 5-14 of the STA;*
- *the prohibition of use of inside of inside information, cf. article 8 of MAR;*
- *the prohibition of market manipulation, cf. article 12 of MAR; and*
- *the prohibition of unreasonable business methods, cf. section 3-7 of the STA.*

## **6 APPROVAL OF AGREEMENTS WITH SHAREHOLDERS AND OTHER CLOSE ASSOCIATES**

In the event of transactions that are considered to be non-immaterial between the Company and its shareholders, a shareholder's parent company, members of the board of directors, executive management or close associates to any such party, the board of directors shall arrange for an independent third-party valuation. This will, however, not apply for transactions that are subject to the approval of the general meeting pursuant to the provisions in the Norwegian Public Limited Liability Companies Act. Independent valuations shall also be procured for transactions between companies within the Group if any of the companies involved have minority shareholders.

The board of directors should in any case report all transactions mentioned in this item 6 in the Company's annual report.

## **7 SHARES AND TRANSFERABILITY**

The Company's shares are freely transferable and there are no limitations on any shareholders' ability to own or vote for shares in the Company.

## **8 GENERAL MEETINGS**

### **8.1 General meetings**

#### *8.1.1 Exercising rights*

The board of directors shall ensure that as many of the Company's shareholders as possible are able to exercise their voting rights at the Company's general meetings, and that the general meeting is an effective forum for shareholders and the board of directors, which shall be facilitated through the following:

- the resolutions and any supporting documentation shall be sufficiently detailed, comprehensive and specific allowing shareholders to understand and form a view on all matters to be considered at the general meeting;
- deadlines for shareholders to give notice of their attendance at the general meeting shall be set as close to the date of the general meeting as practically possible. The time limit may not expire earlier than five days before the meeting;
- the board of directors and the chairperson of the general meeting shall ensure that the shareholders are able to vote separately on each candidate nominated for election to OMASA's board of directors and other corporate bodies (if applicable).
- board members and the chairman of the nomination committee shall be present at general meetings, while other members of the nomination committee and the audit committee, as well as the auditor shall be present at general meetings where matters of relevance for such committees/persons are on the agenda; and
- the board of directors shall make arrangements to ensure that an independent chairperson for the general meeting is appointed.

#### *8.1.2 Participation without being present*

Shareholders who are unable to be present at the general meeting shall be given the opportunity to be represented by proxy and to vote by proxy. The Company shall in this respect:

- provide information on the procedure for attending by proxy;
- nominate a person who will be available to vote on behalf of shareholders as their proxy; and
- prepare a proxy form, which shall, to the extent this is possible, be set up so that it is possible to vote on each of the items on the agenda and the candidates nominated for election.

## **9 NOMINATION COMMITTEE**

### **9.1 Composition**

The Company shall have a nomination committee, cf. the Company's articles of association section 7. The Company's general meeting elects the members and the chairperson of the nomination committee and determines their remuneration.

The majority of the members of the nomination committee shall be independent from the Company's board of directors and executive management. 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 election to the board of directors. The Chief Executive Officer and other members of the executive management shall not be members of the nomination committee. The composition of the nomination committee should be such that the interests of shareholders in general are represented. The Company's guidelines for the nomination committee shall establish rules for rotation of the members.

The objectives, responsibilities and functions of the nomination committee shall be in compliance with rules and standards applicable to the Group and which are described in the Company's "Instructions for the nomination committee". The general meeting shall adopt the guidelines for the nomination committee. The Company shall provide information regarding the composition of the nomination committee, the members of the nomination committee and deadlines for submitting proposals to the nomination committee.

### **9.2 Tasks**

The nomination committee shall recommend candidates for the election of members and chairperson of the board of directors, candidates for the election of members and chairperson of the nomination committee, and remuneration of the members of the board of directors and the nomination committee.

The nomination committee's recommendation of candidates to the nomination committee shall ensure that they represent a broad group of the Company's shareholders. The nomination committee's recommendation of candidates to the board of directors shall ensure that the board of directors is composed to comply with legal requirements and principles of corporate governance (cf. item 10 below). The nomination committee shall justify why it is proposing each candidate separately.

The proposals from the nomination committee shall include a reasoning for its proposal, as well as a statement on how it has carried out its work. The nomination committee's proposal shall include information about the candidates, and shall be made available in accordance with the 21 days' notice rule to call for a general meeting. Shareholders shall be given the opportunity to submit proposals to the nomination committee for candidates for election to the board of directors and other appointments in a simple and easy manner. A date for when such proposals must be submitted to be considered by the nomination committee shall be communicated.

## **10 BOARD OF DIRECTORS; COMPOSITION AND INDEPENDENCE**

The composition of the board of directors should ensure that the board of directors has the expertise, capacity and diversity needed to achieve the Company's goals, handle its main challenges and promote the common interests of all shareholders. Each board member should have sufficient time available to devote to his or her appointment as a board member. The number of board members should be decided on this basis, and the board of directors shall consist of minimum three board members. Further, individuals of the board of directors shall be willing and able to work as a team, resulting in the board of directors working effectively as a collegiate body.

The board of directors shall be composed so that it can act independently of any special interests. A majority of the shareholder-elected members of the board of directors shall be independent of the executive management and material business connections of the Company. Further, at least two of the members of the board of directors shall be independent of the Company's major shareholder(s). For the purposes of this corporate governance policy, a major shareholder shall constitute a shareholder that owns or controls 10% or more of the Company's shares or votes, and independence shall entail that there are no circumstances or relations that may be expected to be able to influence an independent assessment of the person in question.

The members of the board of directors and the chairperson of the board of directors shall be elected by the Company's general meeting. No member of the Company's executive management shall be members of the board of directors. The general manager is prohibited from being a member of the board of directors.

At least half of the members in the Company's board of directors shall reside in Norway or another EEA country unless the Ministry of Trade, Industry and Fisheries (Nw.: *Nærings- og fiskeridepartementet*) grants a specific exemption from the statutory residency requirement. Both genders shall be represented on the board of directors. The composition of the board of directors shall be in compliance with the gender representation requirements set out in section 6-11a of the Norwegian Public Limited Liability Companies Act. The term of office for the board members shall not be longer than two years at a time. Members of the board of directors may be re-elected. The election of the members of the board of directors should be phased so that the entire board of directors is not replaced at the same time.

The Company's annual report will provide information regarding the expertise, experience and independence of the members of the board of directors, as well as information on their history of attendance at board meetings. Further, the annual report will identify which members of the board of directors that are considered to be independent. Detailed information on candidates for the board of directors (both appointments and re-elections) shall be made available within the 21 days' notice period for calling a general meeting.

Members of the board of directors are encouraged to own shares in the Company. However, caution should be taken not to let this encourage a short-term approach, which is not in the best interests of the Company and its shareholders in the longer term.

## **11 THE WORK OF THE BOARD OF DIRECTORS**

### **11.1 General**

The board of directors will produce an annual plan for its work, with particular focus on objectives, strategy and implementation. The board of directors will implement instructions for the board of directors and the executive management, focusing on determining allocation of internal responsibilities and duties. The objectives, responsibilities and functions of the board of directors and the Chief Executive Officer shall be in compliance with rules and standards applicable to the Group and are described in the Company's "Instructions for the board of directors of OMASA".

The board of directors should ensure that members of the board of directors and executive management make the Company aware of any material interests that they may have in items to be considered by the board of directors. In order to ensure a more independent consideration of matters of a material character in which the chairman of the board is, or has been, personally involved, the board's consideration of such matters should be chaired by another member of the board.

## **11.2 Committees**

The board of directors are encouraged to appoint board committees as such may yield efficiency in the board of directors' work, as well as secure a more thorough and independent handling of matters under the responsibility of the board of directors. In accordance with Norwegian law, the members of the board of directors, as a collegial body, are jointly responsible for making decisions. This means that no part of the decision making responsibility can be delegated to board committees, thus making the role of appointed board committees preparatory for the final decision to be made by the board of directors as a whole. Where board committees are appointed, the board of directors shall issue specific instructions for their work. Furthermore, the board committees shall have the ability to make use of resources available in the Company or be able to seek advice and recommendations from sources outside of the Company.

The board of directors shall provide details of the appointment of board committees in the Company's annual report.

### **11.2.1 Audit committee**

*The board of directors has established an audit committee pursuant to section 6-41 of the Norwegian Public Limited Liability Companies Act and the Code. The board of directors has elected an audit committee amongst its members and adopted instructions for the work of the audit committee.*

The audit committee functions as a preparatory and advisory committee for the board of directors. In accordance with the Code, the entire board of directors shall not function as the Company's audit committee. In addition to fulfilling the requirements set out in section 6-42 and section 6-43 of the Norwegian Public Limited Liability Companies Act, the majority of the members shall be independent of the Company.

The objectives, responsibilities and functions of the audit committee shall be in compliance with rules and standards applicable to the Company, as described in the Company's "Instructions for the audit committee".

## **11.3 Annual evaluations**

The board of directors shall annually evaluate its performance and expertise for the previous year. This evaluation shall include the composition of the board of directors and the manner in which its members functions, both individually and as a group, in relation to the objectives set out for its work. The report shall be made available to the nomination committee.

# **12 RISK MANAGEMENT AND INTERNAL CONTROL**

## **12.1 General**

The board of directors is responsible of ensuring that the Company has sound and appropriate internal control systems and systems for risk management, and that these systems are proportionate to and reflect the extent and nature of the Company's activities. Having effective internal control systems and systems for risk management in place may prevent the Group from situations that can damage its reputation or financial standing. Furthermore, effective and proper internal control and risk management are important factors when building and maintaining trust, to reach the Company's objectives, and ultimately create value.

Having in place an effective internal control system means that the Company is better suited to manage commercial risk, operational risk, the risk of breaching legislation and regulations as well as other forms of risk that may be material to the Company. As such, there is a correlation between the Company's internal control systems and effective risk management. The internal control system shall

also address the organisation and execution of the Company's financial reporting, as well as cover the Company's guidelines for how it integrates considerations related to stakeholders into its creation of value.

OMASA shall comply with all laws and regulations that apply to the Group's business activities.

## **12.2 Annual review and risk management in the annual report**

The board of directors shall annually review the Company's most important areas of risk exposure and the internal control arrangement in place for such areas. The review shall pay attention to any material shortcomings or weaknesses in the Company's internal control and how risks are being managed.

In the annual report, the board of directors shall describe the main features of the Company's internal control and risk management systems as they are connected to the Company's financial reporting. This shall cover the control environment in the Company, risk assessment, control activities and information, communication and follow-up. The board of directors is obligated to ensure that it is updated on the Company's financial situation, and shall continually evaluate whether the Company's equity and liquidity are adequate in relation to the risk from the Company's activities, and take immediate action if the Company's equity or liquidity at any time is shown to be inadequate. The Company's executive management shall focus on frequent and relevant reporting of both operational and financial matters to the board of directors, where the purpose is to ensure that the board of directors has sufficient information for decision-making and is able to respond quickly to changing conditions. Board meetings shall be held frequently, and management reports shall be provided to the board of directors as a minimum on a monthly basis. Financial performance shall be reported on a quarterly basis.

## **13 REMUNERATION OF THE BOARD OF DIRECTORS**

The remuneration of the board of directors is determined by the shareholders at the Company's annual general meeting, based on the proposal from the nomination committee. The remuneration of the board of directors shall reflect the board of directors' responsibility, expertise, the complexity of the Company and its business, as well as time spent and the level of activity of the board of directors and any board committee the board members participate in.

The remuneration of the board of directors shall not be linked to the Company's performance and share options shall not be granted to board members. The remuneration to the board members shall be such that their independence is protected.

Members of the board of directors, or companies associated with a board member, shall not engage in specific assignments for the Company in addition to their appointment as members of the board of directors. If a board member nonetheless takes on any such assignment the entire board of directors must be informed and the consideration for such additional duties is subject to approval by the board of directors.

The annual report shall provide details of all elements of the remuneration and benefits of each member of the board of directors, which includes a specification of any consideration paid to members of the board of directors in addition to their board remuneration.

## **14 REMUNERATION OF EXECUTIVE MANAGEMENT**

The Company's guidelines for determining remunerations to the Chief Executive Officer and other members of the executive management should at all times support prevailing strategy and values in the Company. These guidelines shall be approved by the general meeting, and shall be prepared in

accordance with the Norwegian Public Limited Liability Companies Act section 6-16a. Performance-related remuneration of the executive management shall be linked to value creation for shareholders or to the Company's profit over time. Such arrangements are meant to incentivise performance and shall be based on quantifiable factors the employee may influence, and then be rewarded accordingly. There should be a cap on performance-related remuneration.

The salary and remuneration of the Chief Executive Officer shall be determined by the board of directors in a board meeting. Based on the guidelines approved by the general meeting, the board of directors shall produce a statement in the Company's report on corporate governance on how the salary and remuneration of the Company's Chief Executive Officer is determined in addition to the remuneration strategy of the executive management, as well as provide an report of the Company's guidelines from the previous financial year, cf. the Norwegian Public Limited Liability Companies Act section 6-16b. This statement shall be considered by the Company's annual general meeting before a final resolution regarding remuneration is made by the board of directors.

## **15 INFORMATION AND COMMUNICATIONS**

### **15.1 General information**

The Company shall establish guidelines for its reporting of financial and other information based on openness and taking into account the requirement of equal treatment in the securities market. The Company is obliged to continually provide its shareholders, the Oslo Stock Exchange and the securities market and the financial market in general with timely and precise information about the Company and its operations. This information shall be published in accordance with the Oslo Stock Exchange's information system.

Relevant information will be given in the form of annual reports, half-year reports, press releases, notices to the stock exchange and through published investor presentations in accordance with what is deemed appropriate and required at any given time. Such information shall be published through the Oslo Stock Exchange's information system and/or be published at the Company's website. The Company shall clarify its long-term potential, including strategies, value drivers and risk factors. The Company shall maintain an open and proactive policy for investor relations, a website designed to incorporate "sound practices", and shall give regular presentations in connection with annual and provisional results.

The Company shall publish an annual, electronic financial calendar with an overview of dates for important events, such as the annual general meeting, interim financial reports, public presentations and payment of dividends, if applicable. The information shall be available in English.

Unless there are applicable exemptions, and these are invoked, OMASA shall promptly disclose all inside information (as defined in article 7 of MAR). In any event, OMASA will provide information about certain events, e.g. by the board of directors and the general meeting concerning dividends, mergers/demergers or changes to the share capital, the issuing of subscription rights, convertible loans and all agreements of major importance that are entered into by OMASA and related parties.

Separate guidelines have been drawn up for handling of inside information, see "Instructions for handling inside information". The Company shall also have in place a policy on whom in the board of directors who is entitled to publicly speak on behalf of the Company on various subjects. Further, the Company should have a contingency plan on how to respond to events of a particular character of interest.

## **15.2 Information to shareholders**

In addition to the board of directors' dialogue with the Company's shareholders at the general meetings, the board of directors should make suitable arrangements for shareholders to communicate with the Company at other times. This will enable the board of directors to develop an understanding of the matters regarding the Company that are of a particular concern or interest to its shareholders. Communication with the shareholders should always be in compliance with the provisions of applicable laws and regulations and in accordance with the principle of equal treatment of the Company's shareholders.

Information to OMASA's shareholders will be published on its website simultaneously with being sent to the shareholders.

## **16 TAKEOVERS**

### **16.1 General**

The board of directors shall have established the main principles for its actions in the event of a takeover offer.

In a takeover process, the board of directors and the executive management each have independent responsibilities to ensure that the Company's shareholders are treated equally and that there are no unnecessary interruptions to the Company's business activities. The board of directors has a particular responsibility to ensure that the shareholders are given sufficient information and time to assess the offer.

### **16.2 Main principles for action in the event of a takeover offer**

In the event of a takeover process, the board of directors shall abide by the principles of the Code, and ensure that the following take place:

- the board of directors shall not seek to hinder or obstruct any takeover offer for the Company's operations or shares unless they have valid and particular reasons for doing so;
- the board of directors shall not exercise mandates or pass any resolutions with the intention of obstructing the takeover offer unless this is approved by the general meeting following announcement of the bid;
- the board of directors shall not undertake any actions intended to give shareholders or others an unreasonable advantage at the expense of other shareholders or the Company;
- the board of directors shall not enter into an agreement with any offeror that limits the Company's ability to arrange other offers for the Company's shares, unless it is self-evident that such an agreement is in the common interest of the Company and its shareholders;
- the board of directors and executive management shall not invoke measures with the intention of protecting their own personal interests at the expense of the interests of shareholders; and
- the board of directors must be aware of the particular duty it has for ensuring that the values and interests of the shareholders are protected.

In the event of a takeover offer, the board of directors shall, in addition to complying with relevant legislation and regulations, seek to comply with the recommendations in the Code. This includes

obtaining a valuation from an independent expert. On this basis, the board of directors will make a recommendation as to whether or not the shareholders should accept the offer.

A takeover process gives rise to a particular duty of care to disclose information, where openness is an important tool for the board of directors to ensure equal treatment of all shareholders. The board of directors shall strive to ensure that neither inside information about the Company, nor any other information that must be assumed to be relevant for shareholders in a bidding process, remains unpublished.

There are no other written guidelines for procedures to be followed in the event of a takeover offer. The Company has not found it appropriate to draw up any explicit basic principles for OMASA's conduct in the event of a takeover offer, other than the actions described above. The board of directors concurs with what is stated in the Code regarding this issue.

## **17 STATUTORY AUDITOR**

The board of directors shall ensure that the auditor submits the main features of the plan for the audit of the Company to the board of directors or to the audit committee.

The auditor shall also provide the audit committee with the following:

- an annual written confirmation of its independence;
- information on services other than statutory audit provided to the Company during the course of the financial year; and
- inform about any threats to the auditor's independence, and provide evidentiary documentation of the measures implemented to combat such threats.

The board of directors shall invite the auditor to meetings of the board of directors where any of the following is on the agenda: the annual accounts, accounting principles and key aspects of the audit, assessment of any important accounting estimates and other matters of importance where there have been disagreement between the auditor and the Company's executive management and/or the audit committee.

The board of directors shall at least once a year review the Company's internal control procedures with the auditor, including weaknesses identified by the auditor and proposals for improvement.

The audit committee shall hold a meeting with the auditor at least once a year in which no representative of the executive management can be present. In order to strengthen the board of directors' work on financial reporting and internal control, the auditor shall provide a report to the audit committee on the main features of the audit in respect to the previous financial year, and especially mention any material weaknesses identified in the internal control relating to the financial reporting process.

The board of directors shall specify the executive management's right to use the auditor for other purposes than auditing.

The auditor shall attend the general meeting if the matters to be dealt with are of such nature that his or her presence is deemed necessary. However, the auditor is in any case entitled to participate in the general meeting.

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