

# People and Compensation Committee Charter

## 1. OVERALL PURPOSE

The Board of Directors (the Board) for Nordic Semiconductor ASA has decided to have a Committee in line with recommendations in <the Norwegian Public Limited Companies Act>. The People and Compensation Committee («the Committee») will act as a preparatory body that supports the Board of Directors as well as the Executive Management in fulfilling its responsibilities with respect to Nordic Semiconductor ASA's People Agenda, Organizational Development and Compensation Policy. Hence it will be a tool for support of the management agenda, and proposals will be forwarded to the broader Board. The Committee will not make decisions on behalf of the Board nor the Executive Management, and the Committee establishment and work does not alter the Board's legal responsibilities or tasks.

## 2. ORGANIZATION

### a. Composition

- i. The Committee is comprised of two shareholder elected members and one employee elected member from the Board.
- ii. The Board will elect the chairperson of the Committee.
- iii. Members will be appointed for a one-year period.

### b. Quorum

- i. A quorum for any meeting will be 2/3 of the members.

### c. Meetings

- i. Meetings shall be held normally four times per year.
- ii. The Committee shall adopt an annual meeting plan to be approved by the Board.
- iii. Minutes shall be prepared from all Committee meetings. If the Committee prepares any matter to be presented to the Board, the minutes shall include the Committee's proposal to the Board.
- iv. In the event that there isn't consensus among the Committee members upon a proposal, the Committee shall provide multiple proposals to the Board for consideration.

### d. Information to the Board

- i. The Committee shall, following each meeting, give the Board updates on its activities in the first upcoming Board meeting through its Chair.
- ii. The Board shall receive minutes from the Committee's meeting for information purposes.
- iii. The Committee shall make sure that the Board is aware of issues or matters that may have significant influence on the company's executive management compensation.

**e. Organization of the Committee's work**

- i. The company Administration shall make available a secretary for the Committee. The company CEO will appoint the secretary.
- ii. The Committee shall obtain all information required for performing its duties according to this charter, including:
  1. Make sure satisfactory management participation in the Committee meetings, hereunder that the CFO and the EVP People & Communication participate, including other relevant roles according to agenda.
  2. Arrange for adequate preparatory documents from the management.
- iii. Whether participation will be in person or by conference call will be decided in each case by the Administration and Chair of the Committee.

**f. The Committee's evaluation of its work**

- i. The Committee shall evaluate its own performance and competence at an annual basis.

### **3. THE COMMITTEE'S RESPONSIBILITIES**

The Committee will act as a supportive entity for the management as part of the BoD. The Committee will be responsible for ensuring coherent remuneration policies and practices which enable Nordic to attract and retain executives and employees who will create value for shareholders, generate sustained business performance and support Nordic's goals and values. It will also be responsible for reviewing other relevant people and business culture matters requested by the BoD or the management.

**The objectives of the Committee thus pertain to the development of the Company's people management strategy including:**

- a. Function as a thought partner for management's people and leadership initiatives that impact a majority of the employees, hereunder Working Conditions, Social Issues, Diversity, Equity & Inclusion, including the implementation of company-wide changes to people policies, frameworks, systems, and employment or working conditions.
- b. Review management's proposals for compensation and reward strategies, principles and plans; and proposals for Diversity, Equity & Inclusion roadmaps, KPIs or other metrics. These will be discussed in the Committee and proposed to the Board for approval.
- c. Review and recommend proposals to the BoD for remuneration policies of the Chief Executive Officer (CEO)
- d. On behalf of the broader BoD, ensure that the link between performance and reward is maintained and aligned with shareholders' interests.
- e. Review talent development and succession practices to ensure ongoing business

sustainability.

- f. Review and recommend to the BoD policies and plans for succession of the CEO and executives reporting to the CEO.
- g. Cultivating inclusive practices that attract, develop and retain quality human resources.