

**For the Annual General Meeting of Norsk Hydro ASA**

# Recommendations from the Nomination Committee of Norsk Hydro ASA

## **1. Composition, mandate, and work of the Committee**

The composition of the Nomination Committee of Norsk Hydro ASA (“**Hydro**” or “**the Company**”) is as follows:

1. Berit Ledel Henriksen (Chair)
2. Susanne Munch Thore (Member)
3. Muriel Bjørseth Hansen (Member)
4. Karl Mathisen (Member)

In accordance with Article 5A of the Company’s Articles of Association, the Nomination Committee shall submit its recommendation to the Annual General Meeting regarding the election of shareholder-elected members to the Company’s Board of Directors, the election of members of the Nomination Committee, as well as remuneration for members of the Company’s Board of Directors and Nomination Committee. Guidelines for the Nomination Committee were last adopted by the Annual General Meeting on 10 May 2022 and are available at [www.hydro.com](http://www.hydro.com).

During the period since the previous Annual General Meeting held on 10 May 2023 until 22 March 2024, the Nomination Committee has held 35 meetings, including meetings with the chair of the Board of Directors, individual Board members, and the CEO. The Nomination Committee has reviewed the Board’s self-evaluation together with the Chairman of the Board. The shareholder community has been encouraged via the Company’s website to propose candidates, and the Committee has put forward its recommendation to several of the Company’s largest owners. The Nomination Committee also self-evaluates its work annually.

The Nomination Committee’s recommendation is unanimous.

## **2. Composition of the Company’s Board of Directors**

### **2.1. Section 12 of the notice of meeting – election of shareholder-elected members to the Board of Directors**

In accordance with Article 5 of the current Articles of Association, the Board of Directors shall consist of 9 to 12 members, who shall be elected for up to 2 years at a time. The Board of Directors currently consists of 11 members, seven of whom are elected by shareholders and four are elected by and among the Company’s employees in Norway.

At the Company's General Meeting held on 10 May 2022, the following were elected as shareholder-elected members for up to two years:

Position	Name	Year voted in
Chair of the Board*	Dag Mejdell	2012, chair since 2014
Deputy Chair	Rune Bjerke	2020, Deputy Chair since 2022
Member**	Marianne Wiinholt	2016
Member	Peter Kukielski	2019
Member	Kristin Fejerskov Kragseth	2022
Member	Philip Graham New	2022
Member	Petra Einarsson	2022

<p>*Dag Mejdell is also the Chair of the Board's Compensation Committee. **Marianne Wiinholt is also the Chair of the Board's Audit Committee</p>
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Over the last year, the Nomination Committee thoroughly assessed the Board of Directors, its composition, and its overall competence; please see point 7 of [The Norwegian Code of Practice for Corporate Governance\(2021\)](#) (“**NUES**”).

The Nomination Committee believes that members of the Board and the Company's administration have provided a reasonably consistent account of how the Board currently functions. In the opinion of the Nomination Committee, it is agreed that the Board functions well. In accordance with the principles of good corporate governance, the Committee has emphasized a number of criteria for work regarding the composition of the board of directors, including consideration of the interests of the shareholder community, diversity in competence and background, capacity and gender representation. The consideration for renewal in conjunction with the need for continuity is also emphasized. The Committee has examined Hydro's strategy and how the Board's composition can help to support this strategy up to 2030 in the best possible way. Through the work that has been performed, as well as through discussions held with the members of the board and management, the Committee has identified that further experience and competence in the relevant industrial, finance and capital markets could contribute to strengthening the board of directors going forward. Meanwhile, the Nomination Committee has assessed the Board's management, as Dag Mejdell will not be nominated for re-election.

On this basis, the Nomination Committee initiated work in the spring of 2023 with the goal of recruiting new members of the board in the spring of 2024. The Nomination Committee has assessed a large number of Norwegian and international candidates with the assistance of a consultant. The result of the process is that the Committee has identified two strong candidates with profiles that meet the criteria the Nomination Committee had set for its search.

On this basis, the Nomination Committee recommends Jane Toogood and Espen Gundersen as new board members in the company. The members of the board are elected for up to two years, until the Company's Annual General Meeting in 2026. The candidates are considered by the Nomination Committee to be independent of Hydro's leading employees, significant business relations and main shareholders.

Until 2023, Jane Toogood OBE (59, UK) was the Chief Executive of Catalyst Technologies (2022–2023) at Johnson Matthey, a global sustainable technology company (12,500 employees, listed on the London Stock Exchange) and before that, Sector Chief Executive of Efficient Natural Resources (2017–2022) and Divisional Director of Precious Metals (2016–2017). Toogood has held leadership roles in Borealis (international supplier of advanced and sustainable polyolefin solutions), and various management positions in Uniqema (global company in industrial chemical solutions). Toogood holds a Master’s degree in chemistry from the University of Oxford from 1987 and is a Fellow of the Royal Society of Chemistry. She was named “UK Hydrogen Champion” by the UK Government in 2022 and is Co-Chair of the UK Government’s Hydrogen Delivery Council. She is a Non-Executive Director of Victrex PLC, a FTSE listed specialty chemical company. Her CV is appended to this recommendation as Appendix 1.

Espen Gundersen (59 years old, Norwegian) has held several positions within Tomra Systems ASA from 1999 to 2022, including CFO from 2003 and deputy CEO from 2009. He played a key role in Tomra’s international growth and expansion. He also has experience from auditing at Arthur Andersen (1989–1995), as well as business development at Selmer ASA (1995–1999). He holds a degree in Civil Economics from the Norwegian Business School and is a state-authorized auditor from NHH. Gundersen has broad board experience as a Chair of the Board, a Board member, and Chair of audit committees. His CV is attached to this recommendation as Appendix 2.

The Nomination Committee is committed to ensuring that each Board member has the capacity for, is dedicated to, and puts in sufficient work effort in their role for Hydro. As part of its assessment, the Nomination Committee has therefore also assessed each individual Board member’s total current workload and capacity, with reference to any other positions and roles.<sup>1</sup> The Board of Directors had an overall attendance rate of 100% at Board meetings in 2023.

The Nomination Committee considers that all of today’s shareholder-elected Board members are independent of Hydro’s senior executives, significant business connections, and main shareholders. The requirement to ensure a balanced representation of both genders has been met; please see Article 6(11)(a) of the Norwegian Public Limited Liability Companies Act.

On the basis of the above elements and considerations, the Nomination Committee recommends that Rune Bjerke, Kristin Fejerskov Kragseth, Marianne Wiinholt, Peter Kukielski and Philip Graham New be re-elected by the Annual General Meeting for a period of up to two years, however, no later than the Company’s Annual General Meeting in 2026.

Information on the competence and background of current Board members is available on [Hydro’s website](#).

## **2.2. Recommendation to the Board of Directors for the election of the Chair and Deputy Chair of the Board**

The corporate assembly in Hydro was terminated by agreement with the trade unions in 2022, and it follows from Section 6–1(2) of the Public Limited Liability Companies Act, cf. Section 6–35(2) that in such cases the Board of Directors shall always elect its own chair. It will also be the responsibility of the Board of Directors to elect the deputy chair, should the board find it appropriate to have such a function. It states in point 1.2 of the guidelines for the Nomination Committee that the Nomination Committee shall issue

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<sup>1</sup>In 2019, Boston Consulting Group carried out a [survey](#), on behalf of the Ministry of Fisheries and Industry, of the time spent by board members and board chairs on their board-related duties in Norway’s largest quoted companies. This survey showed that, on average, board members spent 20% of their working hours on their board-related duties, based on a normal 40-hour-working week and a standard 46-week-working year.

recommendations regarding the election of the chair of the board and the deputy chair of the board of the Company's board of directors.

Dag Mejdell has been a member of the Board of Directors of Norsk Hydro since 2012 and was elected Chair of the Board of Directors in 2014 by the Company's Corporate Assembly. Mejdell does not stand for re-election. The Nomination Committee would like to thank Mejdell for his outstanding efforts throughout his many years on the Board.

Rune Bjerke has been a member of the Board of Directors of Norsk Hydro since 2020 and was elected Deputy Chair of the Board in 2022 by the Board of Directors of the Company, ref. above. The Nomination Committee recommends Bjerke as the new Chair of the Board.

Kristin Fejerskov Kragseth has been a member of the Board of Directors of Norsk Hydro since 2022. The Nomination Committee recommends Kragseth as the new Deputy Chair of the Board.

### **2.3. Composition of the Board**

Based on points 2.1. and 2.2. above, the Nomination Committee recommends that the Board of Directors shall have the following management and composition of shareholder elected members:

- Rune Bjerke (Chair)
- Kristin Fejerskov Kragseth (Deputy Chair)
- Marianne Wiinholt (Member)
- Peter Kukielski (Member)
- Philip Graham New (Member)
- Jane Toogood (Member)
- Espen Gundersen (Member)

In addition to the seven shareholder elected board members listed above, the Board of Directors will continue to have four members elected by and among the employees. Accordingly, the Board of Directors will in total consist of 11 board members.

### **3. Item 13 of the Notice of the Meeting – Election of Nomination Committee members**

Article 5A of the Company's Articles of Association provides that the Nomination Committee shall consist of a minimum of three and a maximum of four members who shall be shareholders or shareholder representatives. The members of the Nomination Committee, including its chair, shall be elected by the General Meeting. The members of the Nomination Committee shall be elected for up to two years at a time and be independent of the Company's Board of Directors and day-to-day management.

In 2023, the Nomination Committee assessed its own composition and its overall competence. As part of this work, the Nomination Committee examined the consideration of continuity against the consideration of renewal; please also see Point 4.5 of the Nomination Committee's Guidelines.

Berit Ledel Henriksen has been a member of the Nomination Committee since 2015 and chair since May 2022, Susanne Munch Thore has been a member since 2022 and Muriel Bjørseth Hansen and Karl Mathisen have been members since 2023. Munch Thore was also a member of the Nomination Committee during the 2014–2020 period. All members are considered to be independent of the Company's Board of Directors and day-to-day management; please also see Point 4.4 of the Nomination Committee's Guidelines.

The terms of office of the Chair, Berit Ledel Henriksen and member Susanne Munch Thore expire at the Annual General Meeting in 2024.

Based on the above, the Nomination Committee recommends that Berit Ledel Henriksen be re-elected as Chair and Susanne Munch Thore be re-elected as a member of the Nomination Committee for a period of two years, however, no later than the Annual General Meeting of the Company in 2026. The Nomination Committee will then have the following composition:

- Berit Ledel Henriksen (Chair)
- Susanne Munch Thore (Member)
- Muriel Bjørseth Hansen (Member)
- Karl Mathisen (Member)

Information on the members of the Nomination Committee, including their competence and background, is available on [Hydro's website](#).

#### **4. Item 14 of the Notice of the Meeting – Remuneration of the Board of Directors, deputy members, and the Board's committee**

Remuneration for Board members and the Board's committee were last approved at the General Meeting on May 10, 2023.

Current and past remuneration rates (as expressed in whole Norwegian kroner thousands) are shown in the table below:

	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Board</b>					
Chair	686	686	707	731	800
Deputy Chair	413	413	426	440.5	460
Member	362	362	373	385.7	403
Compensation for travel time:*	23.0	23.0	30	31	32.3
<b>Remuneration Committee</b>					
Chair	120.5	120.5	124	128.2	134
Committee member	90.5	90.5	93	96.2	100.3
<b>Audit Committee</b>					
Chair	209	209	215	222.3	232
Committee member	136	136	140	144.8	151

\*Remuneration for board members living outside of Norway. Applicable when the member is required to cross a national border to attend a meeting.

When proposing an increase in remuneration for the Board of Directors and the Board's Committees, the Nomination Committee takes into account the responsibilities and competences of Board members, information regarding remuneration for elected representatives in similar companies, the Company's complexity, and the efforts expected of the elected representatives during the coming period; please see Point 11 of the Norwegian Code of Practice for Corporate Governance and Point 4.6 of the Nomination Committee's Guidelines.

Hydro is a global company with an ambitious strategy and a solid reputation. It is the opinion of the Nomination Committee that the current remuneration, especially for the Chair of the Board, does not adequately reflect the workload, responsibilities, availability requirements and competence required of the Board members.

It can be mentioned that in 2023, the Board held a total of 18 meetings, [link to the 2023 annual report](#), and the Nomination Committee has also noticed a significant increase in the workload of the Audit Committee due to increasingly comprehensive reporting requirements related to sustainability, etc.

The increase in the tasks and responsibilities of the Board of Directors in recent years has also led to an increased focus from investors and other stakeholders on the need for Board members to have sufficient time and resources to devote to the positions they assume. As part of its work, the Nomination Committee has been in contact with both Norwegian and international shareholders on this, as well as remuneration; please see Item 3.7 of the Nomination Committee's Guidelines. In connection with this, the Nomination Committee observes that stricter requirements for individual Board members not to take on too many positions at the same time (so-called "overboarding") mean that potential Board candidates are also becoming increasingly selective with regard to which positions they wish to take on. This, in turn, means an increased focus on board remuneration.

In any case, competitive remuneration will also be an important element in ensuring Hydro's access to the best resources, both Norwegian and international, in the years to come. Against this background, the Nomination Committee notes that several surveys have shown Norwegian board remuneration levels to be among the lowest, both in a Nordic and European context.

Hydro is a complex, international company, with operations in 40 countries and over 32,500 employees worldwide.<sup>2</sup> It is the fifth largest company of all companies listed on the Oslo Stock Exchange<sup>3</sup> and of these, Hydro's board remuneration, both in terms of the Chair and Board members, is not on the list of the 30 highest.<sup>4</sup> Last year, the Nomination Committee proposed a recommendation aimed at closing some of the gap in terms of compensation for the Chair.

In summary, the Nomination Committee is of the opinion that although Hydro is a large, global company that is and should be attractive to good board candidates, there will be a need to continually increase the level of the remuneration for the Board of the Company. The Nomination Committee considers this to be long-term work that will continue in the years to come.

Furthermore, the Nomination Committee emphasises that it believes that it is desirable that the Company's Board members should own shares in the Company and encourages Hydro's Board members to do so.

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<sup>2</sup> See the [link to the Annual Report](#). Hydro is Norway's largest non-governmental employer

<sup>3</sup> Norwegian Institute of Directors' report "Board fees - *Listed and state-owned companies 2023*" ("**Board fee survey**") p. 17. Please note that the figures in the 2023 survey are based on figures collected in 2022

<sup>4</sup> Op. cit. pp. 17 and 18

Share ownership by Board members has also been described as key by both national and international shareholders with whom the Nomination Committee has been in contact.

All board remuneration will be paid in Norwegian kroner<sup>5</sup>

#### **4.1. Remuneration of the Chair of the Board of Directors**

The remuneration of the Chair of the Board of Directors (effective from January 1, 2023) was last approved at the Company's Annual General Meeting on May 10, 2023.

The Nomination Committee recommends that the annual remuneration for the Chair of the Board be increased by 15% in 2024, with effect from January 1, 2024.

The Nomination Committee stated in last year's recommendation that the elements indicating increased remuneration apply to an even greater extent to the Chair of the Board in view of their high and increasing workload, level of responsibility, and availability requirements. The Nomination Committee also considers this to be relevant in this year's report and refers to the report above. The Nomination Committee believes that an increase of 15% means that remuneration remains moderate, but at the same time somewhat more competitive.<sup>6</sup>

	From	To
Chair of the Board:	NOK 800,000	NOK 920,000

#### **4.2. Remuneration for other Board members, deputy Board members, and members of the Board's sub-committees, as well as travel time allowances**

The Nomination Committee proposes an increase of 5.2% in the remuneration of (i) the members of the Board of Directors and (ii) the Chair and members of the Compensation Committee, and an increase of 15% of the travel time allowance for board members residing outside Norway when the board member has to cross a country border in order to attend the meeting.

For the Audit Committee Chair and members, an increase of 10% is proposed, due to the ever-increasing formal reporting requirements, including CSRD.

All increases, rounded up as appropriate, apply as of January 1, 2024. As before, travel expenses will be covered by the Company after calculation.

For personal deputies of the Board's employee-elected members, the Nomination Committee proposes a remuneration of NOK 17,900 for each meeting at which the deputy member participates as a result of the absence of an employee-elected Board member.

In line with this, the Nomination Committee proposes the following annual remuneration, with effect from January 1, 2024.

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<sup>5</sup> For reference, please note that as of 15 March 2024, USD/NOK= 10.5770 and EUR/NOK= 11.5205

<sup>6</sup> For Norwegian quoted companies, the remuneration of the chairs of boards of directors increased by 11.6% on average in 2022; please see p. 3 of the 2023 Board Remuneration Survey. For companies that are wholly or partly state-owned, the increase in the same period was 6.3%.

	From	To
<b>Board</b>		
Deputy Chair:	NOK 460,000	NOK 484,000
Member:	NOK 403,000	NOK 424,000
Member deputising for an employee-elected Board member:*	NOK 17,000	NOK 17,900
Compensation for travel time:**	NOK 32,300	NOK 37,100
<b>Audit Committee</b>		
Chair:	NOK 232,000	NOK 256,000
Member:	NOK 151,000	NOK 167,000
<b>Remuneration Committee</b>		
Chair:	NOK 134,000	NOK 141,000
Member:	NOK 100,400	NOK 106,000

\*Compensation for each board meeting at which the personal deputy of an employee-elected Board member participates in a Board meeting because of the latter's absence.

\*\*Remuneration for board members living outside of Norway. Applicable when the member is required to cross a national border to attend a meeting.

## **5. Item 15 of the Notice of the Meeting – Remuneration for the members of the Nomination Committee**

In accordance with Article 5A of the Company's Articles of Association, the Company's General Meeting shall determine the remuneration of the members of its Nomination Committee.

The Nomination Committee notes that the workload and the requirements for accessibility for the Chair and other members of the Nomination Committee are increasing. The Nomination Committee considers this to be a natural consequence of the fact that candidate search and recruitment has become a more comprehensive and complex process in recent years, cf. the statement above. The Nomination Committee also notes that, in addition to meetings with the rest of the committee, the Chair of the Nomination Committee also participates in other meetings relevant to the Committee's work during the working year. The remuneration structure and level of the Chair and other members Nomination Committee will be subject to a more comprehensive assessment in light of the increased workload in the coming year.

In its recommendation, the Nomination Committee has taken into account information on remuneration to the nomination committees of comparable companies. The Nomination Committee recommends that the



remuneration for the Chair and members of the Nomination Committee be increased by 5.2%. All increases, rounded up as appropriate, shall apply from January 1, 2024.

Allowance per meeting. Please note that all amounts below are in Norwegian kroner.

	From	To
Nomination Committee		
Chair (per meeting where the chair is present)	NOK 9,100	NOK 9,600
Members (per meeting where members are present)	NOK 7,300	NOK 7,700

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Oslo, April 12, 2024

Nomination Committee of Norsk Hydro ASA

**Berit Ledel Henriksen (chair)**

**Muriel Bjørseth Hansen**

**Karl Mathisen**

**Susanne Munch Thore**

## CV – Jane Toogood, OBE FRSC

Year of Birth: 1965 (59)  
 Nationality: British  
 Location: UK



### Education

1987 MA, Natural Sciences, University of Oxford, UK

### Languages

English, French

### Executive Roles

**2016 – 2023 JOHNSON MATTHEY Plc, UK**

2022 – 2023 CEO of Catalyst Technologies

2017 – 2022 Sector CEO, Efficient Natural Resources

2016 – 2017 Division Director, Precious Metal Products

**2008 – 2016 BOREALIS AG, Austria**

2015 – 2016 SVP, Marketing and New Business Development

2013 – 2015 SVP, New Business Development

2008 – 2012 VP, Business Unit Pipe

**2004 – 2008 INDEPENDENT CONSULTANT, UK**

Business & Marketing Advisor

**1999 – 2004 UNIQEMA**

2002 – 2004 Global Business Development Director, UK

1999 – 2002 Global VP, Health and Personal Care, Belgium

1999 European Business Director, Personal Care, Belgium

**1998 ICI surfactants, Belgium**

European Business Manager

1987 – 1997 **ICI, France, USA, UK**

Roles in strategy, marketing, sales, manufacturing in fine chemicals for pharma and agrochemicals, specialty chemicals and paint

### Non-Executive Roles

**2021 – Present UK Hydrogen Delivery Council, UK**

Co-Chair

**2022 – 2023 UK Hydrogen Champion**

**2016 – present VICTREX plc, UK**

NED, Chair of Corporate Responsibility Committee

Member of Audit, Remuneration and Nomination Committees

**2006 – 2008 NHS Harrogate and District Foundation Trust, UK**

NED, Member of Audit and Appointment Committees

**2005 NHS Craven Harrogate and Rural District Primary Care Trust, UK**

NED

## CV – Espen Gundersen



Year of Birth: 1964 (59)  
 Nationality: Norwegian  
 Location: Oslo, Norway

### Education

2007 AMP, INSEAD, France  
 1992 CPA, NHH Norwegian School of Economics, Norway  
 1989 MBA, BI Norwegian Business School, Norway

**Languages:** Norwegian, English

### Executive Roles

**1999 – 2022 TOMRA SYSTEMS ASA**  
 2009 – 2022 CFO & Deputy CEO  
 2002 – 2009 SVP & CFO  
 1999 – 2002 Controller & Finance Director

**1995 – 1999 SELMER ASA**  
 VP Business Development

**1989 – 1995 ARTHUR ANDERSEN**  
 Auditor, Norway

### Non-Executive Roles

**2021 – present HEXAGON PURUS ASA**  
 Board Chair (from 2023) & Audit Committee Chair

**2022 – present SCATEC ASA**  
 Board Member

**2022 – present KID ASA**  
 Board member

**2017 – 2024 KITRON ASA**  
 Board Member & Audit Committee Chair

**2005 – 2006 MESTA AS**  
 Board member