



## ABL GROUP ASA

# CORPORATE GOVERNANCE POLICY

1.	<u>INTRODUCTION TO CORPORATE GOVERNANCE</u> .....	2
2.	<u>BUSINESS</u> .....	2
3.	<u>PURPOSE</u> .....	2
4.	<u>VALUES</u> .....	2
5.	<u>ETHICAL GUIDELINES</u> .....	3
6.	<u>GUIDELINES FOR CORPORATE SOCIAL RESPONSIBILITY</u> .....	4
7.	<u>COMPANY CAPITAL AND DIVIDEND</u> .....	4
8.	<u>EQUAL TREATMENT</u> .....	4
9.	<u>TRANSACTIONS WITH RELATED PARTIES</u> .....	4
10.	<u>FREELY TRANSFERABLE SHARES</u> .....	4
11.	<u>SHAREHOLDERS' GENERAL MEETING</u> .....	4
12.	<u>ELECTION COMMITTEE</u> .....	5
13.	<u>THE BOARD - COMPOSITION AND INDEPENDENCE</u> .....	5
14.	<u>REMUNERATION COMMITTEE</u> .....	5
15.	<u>AUDIT COMMITTEE</u> .....	5
16.	<u>BOARD OF DIRECTORS' RESPONSIBILITY</u> .....	6
17.	<u>COMPENSATION TO THE BOARD</u> .....	6
18.	<u>COMPENSATION TO EMPLOYED MANAGEMENT</u> .....	6
19.	<u>INFORMATION AND COMMUNICATION</u> .....	6
20.	<u>RISK MANAGEMENT AND INTERNAL CONTROL</u> .....	7
21.	<u>TAKEOVER</u> .....	7
22.	<u>AUDITOR</u> .....	7

## 1. INTRODUCTION TO CORPORATE GOVERNANCE

In accordance with the Norwegian recommendation for corporate governance, the Board of Directors of ABL Group ASA (the Company or ABL) has prepared this policy document and will place emphasis on adhering to the standard in the areas addressed by this. The Company will each year give an account of the Company's corporate governance practice and policies and explain any deviation from the Norwegian recommendation for corporate governance, as amended from time to time, in its annual report, referring to each and every clause in the said recommendation.

The Company will maintain a high ethical standard in its business concept and relations with customers, suppliers and employees.

## 2. BUSINESS

ABL Group ASA is a public listed company that offers marine, engineering and adjusting consultancy services to the renewables, maritime, oil and gas and power sectors, advising on de-risking operations and promoting the energy transition across energy and oceans.

## 3. PURPOSE

Our purpose is to be the independent energy and marine consultant of choice.

## 4. VALUES

ABL is committed to developing profitable and sustainable businesses for the benefit of our shareholders, customers, employees and the community in general.

In ABL we recognise and honour our responsibilities towards:

- 
- Our **customers**, who utilise and pay for our services and products
- Our **collaborators** and **partners**
- The **society** in which we operate
- The **environment**
- Our **employees**
- Our **shareholders**

In our undertakings we will strive to live up to our key values:

### Teamwork

- Recognize team member's contribution and expertise
- Value suggestions and differences of perspective
- Place company objectives before those of individuals and support team decisions

### Respect

- Value and encourage diversity in our workplace
- Recognize each person as essential to fulfil ABL's mission
- Inspire, mentor, and motivate colleagues

### Integrity

- Highest level of personal and professional ethics and conduct
- Honest, straightforward and open communication
- Consistent application of standards, policies, recognition, and rewards



### **Performance culture**

- Set ambitious goals
- Be result oriented
- Create competitive advantage

### **Professionalism**

- Accountability
- Take responsibility
- Identify and resolve issues
- Adhere to internal and external standards, procedures, and practices
- Evaluate and proactively improve processes and results

## **5. ETHICAL GUIDELINES**

The following ethical guidelines shall be practiced in the Company, and apply for all employees of the Company:

1. *Personal conduct:* All employees and representatives of the Company shall be honest and fair in representing the Company when dealing with customers, government officials, suppliers, competitors, shareholders, the public and fellow employees or contractors. The management of the Company has a particular responsibility to promote openness, loyalty and respect.
2. *Conflict of Interests:* The Company's employees and representatives shall avoid situations wherein a conflict between their own personal and/or financial interests and the Company's interests may occur and, where such conflicts are unavoidable, shall inform senior management and/or the Board of such conflicts so that they can be properly managed.
3. *Confidential Information:* Employees and representatives of the Company possessing confidential information in relation to the Company, shall conduct themselves and safeguard such information with great care and loyalty, and comply with any and all signed confidentiality statements and agreements.
4. *Influence:* The Company's employees and representatives shall neither directly nor indirectly offer, promise, request, demand or accept illegal or unjust gifts of money or any other remuneration in order to achieve a benefit.
5. *Competition:* The Company shall support fair and open competition. The Company's employees or representatives shall never take part in any activities that may constitute a breach of legislation relating to competition.
6. *Health, Safety & Environment:* The Company will conduct its business in a manner that prevents harm to people, the environment or its assets. The Company is committed to creating a work culture where prevention of harm is a priority to everyone. All employees are responsible for maintaining a safe and health workplace.
7. *Breach of Ethical Guidelines:* Any breach of these Ethical Guidelines may inflict severe consequences on the Company, and any breach may imply consequences for the person in question.

## **6. GUIDELINES FOR CORPORATE SOCIAL RESPONSIBILITY**

ABL recognises that meeting economic, social and environmental demands of our broader stakeholders has an important impact on the Company's reputation. Established Code of Conduct guidelines for employees in the business units form a foundation for a Corporate Responsibility platform, which will be further developed as the Company evolves.

The Company shall place great emphasis on safety, and that its activities do not represent a major risk to its clients, its employees, or the environment, and has established separate environment, health and safety guidelines.

## **7. COMPANY CAPITAL AND DIVIDEND**

The Board shall aim to maintain an equity ratio in the Company satisfactory in light of the company's goals, strategy and risk profile.

The Company's intention is to pay a semi-annual dividend in support of its objective to maximise capital efficiency. The majority of the Company's free cash flow is intended to be distributed, subject to maintaining a robust cash buffer to satisfy commitments and support working capital requirements, planned capital expenditure, growth opportunities and uncertain future market prospects. In addition to paying a cash dividend, the Company may buy back its own shares as part of its plan to distribute capital to shareholders.

## **8. EQUAL TREATMENT**

The Company shall only have one class of shares and there should be no voting restrictions.

In case of capital expansions, all shareholders shall hold equal right to subscribe for shares. The buying back of own shares should always be carried out in a stock exchange at market prices.

## **9. TRANSACTIONS WITH RELATED PARTIES**

Transactions with related parties shall be at arm's length and at fair value which, in the absence of any other pertinent factors, shall be at market value. All not immaterial transactions between the Company and a member of the Board of Directors, a shareholder, a leading employee or their related parties shall be valued by an independent third party, unless assessed and resolved upon by the General Meeting.

The Company's financial statements shall provide further information about transactions with related parties.

## **10. FREELY TRANSFERABLE SHARES**

There shall be no limitations of trading and voting rights in the Company. Each share shall have the right to one vote at the Company's General Meeting of shareholders.

## **11. SHAREHOLDERS' GENERAL MEETING**

The Company shall summon the shareholders to a General Meeting as soon as possible and no later than 21 days prior to the meeting. Documents in sufficient detail for the shareholders to take a position on all the cases to be considered shall be transmitted with the summons. Further, the summons shall address the shareholders' right to propose resolutions to the matters to be resolved upon at the General Meeting, and give information regarding the required steps necessary to exercise the



shareholders' rights. The summons and the said documents shall be available on the Company's web-site at least 21 days prior to the relevant General Meeting.

The cut-off for confirmation of attendance shall be set as short as practically possible and the Board shall arrange matters so that the shareholders, who are unable to attend in person, will be able to vote by proxy, and shall be drawn up so that separate voting instructions can be given for each matter to be considered by the meeting. The form of proxy shall be distributed with the summons and be available on the Company's web-site.

## **12. ELECTION COMMITTEE**

The Company shall have an Election Committee elected by the General Meeting. The General Meeting shall at the same time appoint the chairman of the Committee. Instructions to the Election Committee are attached hereto as **Appendix 1**.

## **13. THE BOARD - COMPOSITION AND INDEPENDENCE**

In electing members to the Board, it shall be emphasised that the Board has the requisite competency to independently evaluate the cases presented by the Management as well as the Company's operations. It is also considered important that the Board can function well as a body of colleagues. The term of office for members of the Board shall not be longer than two years at a time.

At least two of the Board members elected by shareholders shall be independent of the company's main shareholder(s).

At least half of the Board members elected by the shareholders shall be independent of the Company's day-to-day management and its main business relations. The following criteria shall, to the extent possible, be applied in order to ensure this:

- The Board members shall only receive remuneration and board member fees in relation to the appointment as a board member or member of sub-committees.
- The Board members shall not have performance based director's fee.
- The Board members shall not be closely associated with other board members or the CEO.
- The Board members shall not have close family ties with the CEO.
- The Board members shall not have, nor represent significant commercial interests in the company.

Notwithstanding the above, the shareholders of the Company may, at its own discretion and/or (as the case may be) based on the nomination from the Election Committee, elect Board members who do not fulfil these criteria.

## **14. REMUNERATION COMMITTEE**

The Company shall have a Remuneration Committee appointed by the Board, to be governed in accordance with the instructions appended hereto as **Appendix 2**. The full Board may, for practical purposes, constitute the Remuneration Committee.

## **15. AUDIT COMMITTEE**

The Company shall have an Audit Committee appointed by the Board. The full Board may, for practical purposes, constitute the Audit Committee.

## **16. BOARD OF DIRECTORS' RESPONSIBILITY**

The Board shall prepare an annual plan for its work with special emphasis on goals, strategy and implementation. The Board shall also evaluate its performance and expertise annually.

The Board shall ensure that the Company has good management with clear internal distribution of responsibilities and duties.

Instructions have been established for the Board of Directors and for the CEO/Management responsible for day-to-day operations and are appended hereto as **Appendix 3** and **Appendix 4**, respectively.

The Board is responsible for ensuring that the Company is operated in accordance with the Company's values and ethical guidelines.

## **17. COMPENSATION TO THE BOARD**

Remuneration of Board members shall be reasonable and based on the Board's responsibilities, work, time invested and the complexity of the enterprise. The compensation shall be a fixed annual amount, and may also include a variable component for Board meetings attended. The Chairman of the Board can receive a higher compensation than the other Board members. Work in sub-committees may be compensated in addition to the remuneration received for Board membership.

The Company's financial statements shall provide further information about the Board's compensation

## **18. COMPENSATION TO EMPLOYED MANAGEMENT**

The Board decides the salary and other compensation of the CEO pursuant to relevant laws and regulations, having references to the main principles for the compensation policy of the Company as well as market norms and performance of the individual.

The Company's financial statements shall provide further information about salary and other compensation to the CEO.

## **19. INFORMATION AND COMMUNICATION**

The Board of Directors and the Management team in the Company assign considerable importance to giving the shareholders and the financial market in general timely, relevant and current information about the Company and its activities while maintaining sound commercial judgement in respect of any information which, if revealed to competitors, could adversely influence the value of the Company's assets, and in accordance with the Stock Market Regulations and the information requirements outlined therein.

Sensitive information will be handled internally in a manner that minimises the risk of leaks. All sensitive contracts to which the Company becomes a party, shall contain confidentiality clauses.

The Company has clear routines for who is allowed to speak on behalf of the company on different subjects, and who shall be responsible for submitting information to the Oslo Stock Exchange. The CEO shall be the main contact person of the Company in such respects.

Each year the Company will publish its financial calendar with dates of important events such as Annual General Meeting, publishing of financial reports throughout the year, dates for distribution of



dividend etc. Information to shareholders, investor relations and the market shall be available on the Company's website.

The Company shall conduct open presentations of financial reports at least as required by Stock Market Regulations. Information to the shareholders will be available in English.

The Board must be aware of matters of special importance to the shareholders. The Board must therefore ensure that the shareholders are given the opportunity to make known their points of view at and outside the shareholders' General Meeting. Continuous publishing of information from the Company shall aid shareholders and other investors in arriving at well reasoned conclusions regarding purchase and sale of shares, and in this manner contribute to "correct" pricing of the share. Significant value generators and risk factors will be described.

## **20. RISK MANAGEMENT AND INTERNAL CONTROL**

The Board and the Management team shall at all times see to that the Company has adequate systems and internal control routines for any risks relevant to the Company and its business, hereunder that the Company's ethical guidelines and values and social responsibility are maintained and safeguarded.

Internal control and risk management shall be continuously evaluated and each year the Board shall assess the Company's risk areas, risk management and its internal control systems, and include a brief description thereof in its annual report.

## **21. TAKEOVER**

The Board shall not without specific reasons attempt to hinder or exacerbate anyone's attempt to submit a takeover bid for the Company's activities or shares, hereunder make use of any proxy for the issue of new shares in the Company.

In situations of takeover or restructuring, it is the Board's particular responsibility to ascertain that all shareholders' values and interests are protected.

## **22. AUDITOR**

Each year the Auditor shall present to the Board a plan for the implementation of the audit work. Each year the Auditor shall present to the Board a written confirmation that the Auditor satisfies established requirements as to independence and objectivity.

The auditor shall be present at Board meetings where the annual accounts are on the agenda. Whenever necessary, the Audit Committee or the Board shall meet with the auditor to review his/her view on the Company's accounting principles, risk areas, internal control routines etc.

As a guideline the Auditor may only be used as a financial advisor to the company provided that such use of the auditor does not have the ability to affect or question the auditors' independence and objectiveness as auditor for the Company. Only the Company's CEO and/or CFO shall have the authority to enter into agreements in respect of such counselling assignments.

On the Annual General Meeting the Board shall present a review of the auditor's compensation as paid for auditory work required by law and remuneration associated with other concrete assignments. In connection with the Auditor's presentation to the Board of his/her annual work plan, the Board shall specifically consider if the Auditor to a satisfactory degree also carries out a control function.



The Board shall arrange for the Auditor to attend all shareholders' General Meetings.

---

**Appendixes:**

- Appendix 1: Instructions to the Election Committee
- Appendix 2: Instructions to the Remuneration Committee
- Appendix 3: Instructions to the Board of Directors
- Appendix 4: Instructions to the CEO