

The Annual General Meeting of Itera ASA

Recommendations by the Nomination Committee to the 2016 Annual General Meeting

The Nomination Committee was elected at the Annual General Meeting held on 21 May 2015. The members of the Committee have been Olav Werner Pedersen, Geir Moe and Erik Sandersen. Erik Sandersen has been the Chair of the Committee. The Committee has held two meetings in person. The work of the Committee has otherwise been carried out by telephone and email.

Election of the Board of Directors

The Nomination Committee proposes a Board for 2016/2017 with four shareholder-elected members, in which one of the directors is replaced while the remaining three members continue. The rationale for this is to strengthen the board's industry knowledge further while continuity is mainly preserved. The proposal is as follows:

- Morten Thorkildsen, Chair (re-election)
- Mimi K. Berdal, Member (re-election)
- Jan-Erik Karlsson, Member (re-election)
- Eli Giske, Member (new election)

Eli Giske (52) has a very solid background in economics and finance from the IT industry, mainly as CFO in EVRY/ErgoGroup for 10 years. She has / has held directorships in, among other organizations, Nye veier AS, Ambita, Espire, Eidsiva Vekst, Multikonsult and ICT Norway. She is now self-employed, and was in parts of 2015 hired as acting CFO in Itera. Hence, Giske knows the company well.

The Nomination Committee would hereby like to thank the retiring board member Wenche Holen for her excellent contribution to the Board over the past two years.

Remuneration of the members of the Board

The fees were increased in 2015 and the Nominating Committee has decided to propose that the fee structure decided at the AGM on 21 May 2015 continues. Based on this, the Nomination Committee proposes the following fees for 2015/2016:

- Chair, NOK 325.000
- Member, NOK 200.000

In the case of employee representatives on the Board, the Nomination Committee proposes that each representative should receive NOK 20,000 as compensation for the risk associated with being a Board member. This corresponds to the compensation last year.

The reason for the remuneration of employee representatives to be lower than the remuneration of shareholder-elected board members is that board meetings are in general carried out during working hours, and employee representatives accordingly receive their normal salary for these working hours. This also reflects Itera's internal policy that employees should not receive additional remuneration for board appointments that they hold as a result of their employment. The Nomination Committee does not propose any remuneration for Board observers or deputy members.

For the coming period, the Nomination Committee Committee proposes to keep the fees unchanged. 50% of the annual remuneration can be paid on account, with the remaining 50% payable at the end of the period.

In the event of a requirement for the Chair of the Board or any Board member to play a more active role in the company by carrying out specific duties, this should be remunerated. To the extent that the Board approves such agreements, the remuneration payable for such specific additional duties will be paid in addition to the normal remuneration for the appointment as Chair of the Board/Board member.

Remuneration of members of Board Committees

In addition to the external participants and employee representatives, the members of the Audit Committee in 2015/16 were Wenche Holen and Mimi K. Berdal (Chair), and the members of the Remuneration Committee in 2015/16 were Jan-Erik Karlsson and Morten Thorkildsen (Chair). The Nomination Committee proposes that the chairs of these two committees should receive NOK 15,000 in addition to their normal remuneration as Board members.

For the coming year, the Nomination Committee proposes to increase the compensation to the Chair of the Audit Committee with NOK 10.000.

Election of the members of the Nomination Committee and their remuneration

In accordance with Article 6 of the Articles of Association and the Mandate of the Nomination Committee, the composition of the Nomination Committee is determined by the Company's major shareholders. The Nomination Committee has consulted with the Company's major shareholders, and accordingly proposes the following candidates for election to the Committee:

- Erik Sandersen, leder (re-election)
- Olav Werner Pedersen (re-election)
- Geir Moe (re-election)

The Nomination Committee recommends that the remuneration of the members of the Nomination Committee should continue unchanged at NOK 30.000 for the Chair of the Committee and NOK 15.000 for each of the other members of the Committee.

Oslo, 18th April 2016

Erik Sandersen sign.

Chair of the Nomination Committee