

## Report and Recommendations from the Nomination Committee to the 2016 Annual General Meeting

### Report from the Committee

Nordic Semiconductor ASA (NOD) established a Nomination Committee at the Annual General Meeting (AGM) 18 April 2005. The Committee in 2015 consisted of Thomas Raaschou (Chair), Bjørnar Olsen and John Harald Henriksen. None of the members of the Nomination Committee are employees of NOD or members of the Board of Directors (BoD) of NOD.

The main duties of the Committee are to evaluate and submit a recommendation to the General Meeting on the following matters:

- Nominees for election as members of the Board of Directors of NOD and the Chair of the Board of Directors
- Nominees for election as members of the Nomination Committee and the Chair of the Nomination Committee
- The proposed remuneration of the Board of Directors and the members of the Nomination Committee

The Nomination Committee has established Terms of Reference that was approved at the 2015 General Meeting. The Terms of Reference details the duties and responsibilities of the Nomination Committee, and there are no proposed changes for this years' General Meeting.

The Committee held 7 meetings in the preparation for the Annual General Meeting to discuss the following: Board composition and recruitment, Director elections, Nomination Committee work and composition, Nomination Committee member elections, and Director and Nomination Committee remuneration. In addition, the Committee has held meetings and discussions with shareholders, current Directors, senior executives and with potential candidates. The Committee has ensured that there has been ample opportunity for all shareholders and others to nominate directors.

In 2015 the Board of Directors of Nordic Semiconductor consisted of the following Directors:

Terje Rogne	Chair, due for re-election in 2016
Anne-Cecilie Fagerlie	Director, due for re-election in 2016
Craig Ochikubo	Director, due for re-election in 2016
Arnhild Schia	Director, due for re-election in 2016
Tore Valderhaug	Director, due for re-election in 2016

The board is currently composed of five independent Directors. NOD currently meets the requirements for both male and female directors of the Public Limited Act Section 6-11 a (1). The same will apply if the Board proposed by the Nomination Committee is adopted by the AGM.

## Nomination Committee Recommendations

### Board of Directors

The Nomination Committee has put considerable effort in assessing the needs of NOD's BoD. It is the opinion of the Nomination Committee that the Company is currently experiencing a rapid global growth period that requires added international experience at the BoD. The Nomination Committee has in particular focused on candidates with vast experience from international business as well as financial strategic competencies' including merger & acquisition, corporate governance and know-how of the capital markets.

The Nomination Committee recommends the re-election of Terje Rogne, Anne-Cecilie Fagerlie, Tore Valderhaug and Craig Ochikubo for a period of one year.

The Nomination Committee recommends Arnhild Schia to be replaced with Beatriz Malo de Molina. It is recommended that Beatriz Malo de Molina will be elected for a period of one year.

Beatriz Malo de Molina (born 1972) has since 2012 served as the Senior Vice President and Head of Mergers and Acquisitions at Orkla ASA. Mrs. de Molina previous experience includes serving as an Investment Director of Kistefos and Associate Principal at McKinsey & Company in Oslo. Prior to her time in Norway, she worked for 10 years within Goldman Sachs's Investment Banking and Capital Markets divisions, in the New York, Mexico City, Frankfurt and London offices.

Mrs. de Molina has served on numerous boards in international and Norwegian companies, both as Chairman and as non-Executive Director, including Sapa Heat Transfer/Gränges, Agasti Holding, Advanzia Bank S.A. and Atex Group Ltd. She currently serves as a Director of Investinor.

Mrs. de Molina holds a Bachelor of Science degree in languages and international business from Georgetown University and a Master of Philosophy degree from the University of Oslo.

If the proposed shareholder BoD is adopted by the AGM, it will consist of the following members:

Terje Rogne	Chair, due for re-election in 2017	8 *
Anne-Cecilie Fagerlie	Director, due for re-election in 2017	11 *
Tore Valderhaug	Director, due for re-election in 2017	2 *
Craig Ochikubo	Director, due for re-election in 2017	1 *
Beatriz Malo de Molina	Director, due for re-election in 2017	New

(\* The number of years serving as a member of the BoD)

The Nomination Committee is of the opinion that the proposed BoD will have the competence necessary to establish an Audit committee in accordance with the competency requirements of the Public Companies Act §6-42.

Details of the BoD members can be found on [www.nordicsemi.com](http://www.nordicsemi.com).

## Directors' remuneration 2015

The directors' remuneration for the period from the 2015 AGM to the 2016 AGM was decided by the 2015 AGM as follows:

Chair:	NOK 450,000
Directors:	NOK 250,000

The Nomination Committee has reviewed remuneration levels for BoD members with relevant peer companies in Norway as well as internationally. The Committee has concluded that it recommends increasing the remuneration for the period between the 2016 AGM to the 2017 AGM as the described in the table below.

The Board has since the 2014 AGM re-organized the work related to the Audit Committee and the Remuneration Committee. The Nomination Committee proposes to the AGM that the members of these committees to be compensated as follow for the period from 2016 AGM to the 2017 AGM:

Chair:	NOK 10,000 per meeting (unchanged)
Member:	NOK 5,000 per meeting (unchanged)

For the period from the 2016 AGM to the 2017 AGM the Nomination Committee proposes the following remuneration levels and principles:

	Board Member Fee	Audit Committee Fee (for each meeting)	Remuneration Committee Fee (for each meeting)	Travel Time Allowance
All members	NOK 275,000	NOK 5,000	NOK 5,000	Intercontinental travel \$5,000 per meeting
Committee Chair		NOK 10,000	NOK 10,000	
Chair	NOK 500,000			

In addition, the Nomination Committee proposes to remunerate members of the Board with domicile in the United States \$3,000 for each meeting taking place in the United States related to company activities. Further, any costs incurred by the Board Members in relation to their participation as a member of the Board or any of the committees, will be reimbursed by the Company.

All fees and costs will be paid on a quarterly basis in arrears. The Board Member Fee amounting to NOK 275,000/500,000 assumes that the respective Directors serves the whole election period of one year.

## Nomination Committee

The Nomination Committee has evaluated current composition of the Committee. In the process, the Committee has taken into account the need for a Committee which has a good understanding of the general requirements facing the Company's BoD with emphasis towards the strategic, financial, managerial and technological issues.

It is proposed that Thomas Raaschou is elected Chair of the Nomination Committee, and that all members are elected for a period of one year.

Thomas Raaschou	Chair, due for re-election in 2016	6 *
Bjørnar Olsen	Member, due for re-election in 2016	11 *
John Harald Henriksen	Member, due for re-election in 2016	11 *

(\* The number of years in the Nomination Committee)

The Nomination Committee proposes that the fees for the period between the 2016 AGM to the 2017 AGM will increase from NOK 35,000 to NOK 40,000 for each of the members of the Committee.

In presenting this for approval, the Nomination Committee has considered, among others, the need for a compensation structure reflecting the amount of work in the Nomination Committee as well as the structure of such work. The Nomination Committee has also considered comparable data for its peers and Norwegian companies in general.

All fees and costs will be paid on a yearly basis in arrears.

The Nomination Committee's recommendations are unanimous.

Oslo, 14 March 2016