

Til aksjeeierne i Nel ASA

INNKALLING TIL ORDINÆR GENERALFORSAMLING

Styret ("**Styret**") i Nel ASA ("**Selskapet**") innkaller med dette til ordinær generalforsamling.

Tid: 15. mai 2018 kl. 10.00
Sted: Karenslyst allé 20, Oslo

Til behandling foreligger:

1. Åpning av møtet ved styrets leder, med opptak av fortegnelse over møtende aksjeeiere

Styreleder vil åpne generalforsamlingen. En registrering over møtende aksjonærer vil bli gjennomført.

2. Valg av møteleder og en person til å medundertegne protokollen

Styret foreslår at advokat Anders Arnekværn blir valgt til å lede generalforsamlingen som uavhengig møteleder.

Én person til stede på generalforsamlingen vil bli foreslått å medundertegne protokollen sammen med styreleder.

3. Godkjenning av innkalling og dagsorden

Styrets forslag til vedtak:

"Innkalling og dagsorden godkjennes".

4. Godkjenning av årsregnskap og årsberetning for 2017

Årsregnskap og årsberetning er inntatt i årsrapporten som finnes på Selskapets webside <http://www.nelhydrogen.com>. Selskapets redegjørelse om eierstyring og selskapsledelse vil bli gjennomgått.

Styrets forslag til vedtak:

"Generalforsamlingen godkjenner årsregnskapet samt styrets beretning for 2017. Det utbetales ikke utbytte for regnskapsåret."

5. Honorar til styrets, valgkomiteens og revisjonsutvalgets medlemmer

Det hører under den ordinære generalforsamlingen å treffe beslutning om honorar til styret, valgkomiteens og revisjonsutvalgets medlemmer.

To the shareholders of Nel ASA

NOTICE OF ANNUAL GENERAL MEETING

The board of directors (the "**Board**") of Nel ASA (the "**Company**") hereby convenes an annual general meeting.

Time: 15 May 2018 at 10:00 a.m. (CET)
Place: Karenslyst allé 20, Oslo, Norway

Agenda:

1. Opening of the meeting by chair of the Board, including registration of shareholders present

The chair of the Board will open the general meeting. A list of attending shareholders will be prepared.

2. Election of chair of the meeting and a person to co-sign the minutes

The Board proposes that attorney Anders Arnekværn is elected to chair the shareholders meeting as an independent chairperson.

One person attending the general meeting will be proposed to co-sign the minutes together with the chair of the board.

3. Approval of notice and agenda

The Board's proposal for resolution:

"The notice of and agenda for the meeting are approved".

4. Approval of the annual financial statement and the report from the board of directors for 2017

The annual financial statement and the report from the board of directors are included in the annual report which is available on the Company's website <http://www.nelhydrogen.com>. An account of the Company's report on corporate governance will be given.

The Board's proposal for resolution:

"The general meeting approves the annual financial statements and the report from the board of directors for 2017. No dividends will be paid for the financial year."

5. Remuneration for the board of directors, the nomination committee and the audit committee

The annual general meeting shall approve the remuneration for the board, the nomination committee and the audit committee.

Innstillingen fra valgkomiteen er vedlagt denne innkalling (Vedlegg 1), og finnes på Selskapets webside <http://www.nelhydrogen.com>.

Styrets forslag til vedtak:

"Valgkomiteens forslag tiltredes".

6. Honorar til revisor

Styrets forslag til vedtak:

"Generalforsamlingen godkjenner revisors honorar for revisjonen av årsregnskapet til Nel ASA for 2017 etter regning."

7. Styrets erklæring om fastsettelse av lønn og annen godtgjørelse til ledende ansatte

Styret fremlegger sin erklæring i henhold til allmennaksjeloven § 6-16a. Erklæringen er vedlagt denne innkalling (Vedlegg 2), og finnes på Selskapets webside <http://www.nelhydrogen.com>.

Generalforsamlingen skal avholde en rådgivende avstemning for den delen av lederlønnserklæringen som gjelder lønn og godtgjørelse til ledende ansatte og skal stemme over godkjenning av den del av erklæringen som gjelder aksjeopsjoner og aksjekjøpsprogram, jf. allmennaksjeloven § 5-6 (3). De øvrige deler av erklæringen er til informasjon.

Styrets forslag til vedtak:

1: "Generalforsamlingen gir sin tilslutning til styrets erklæring om lønn og annen godtgjørelse til ledende ansatte."

2: "Generalforsamlingen godkjenner styrets erklæring om langsiktige incentivplaner og tiltak for å beholde nøkkelpersonell."

8. Fullmakt til å utstede aksjer

Styrets forslag til vedtak:

Styret gis fullmakt til å øke aksjekapitalen med inntil NOK 39.948.598,00 gjennom én eller flere aksjekapitalutvidelser

Fullmakten skal kunne anvendes for følgende formål:

- (i) for utstedelse av aksjer i forbindelse med Selskapets incentivprogram for ansatte; og/eller*
- (ii) for å gi Selskapet finansiell fleksibilitet, herunder ved investeringer, oppkjøp og fusjoner.*

Pris og tegningsvilkår fastsettes av styret ved hver utstedelse under hensyn til Selskapets behov og aksjenes markedsverdi på det aktuelle tidspunkt. Aksjer vil kunne

The recommendation from the nomination Committee is attached to this notice (Appendix 1), and is available on the Company's website <http://www.nelhydrogen.com>.

The Board's proposal for resolution:

"The proposal from the Nomination Committee is supported".

6. Auditor's remuneration

The Board's proposal for resolution:

"The general meeting approves the auditor's remuneration for audit of the annual financial statements of Nel ASA for the financial year of 2017 in accordance with invoice."

7. The Board's statement regarding determination of salary and other compensation to leading employees

The Board submits its statement in accordance with the Norwegian Public Limited Liability Companies Act (the "Act") § 6-16a. The statement attached to this notice (Appendix 2), and is available on the Company's website <http://www.nelhydrogen.com>.

The general meeting shall give an advisory vote on the part of the statement which concerns compensation to leading employees and shall vote on the approval of the part of the statement which concerns share options and share purchase programs, cf. the Act § 5-6 (3). The other parts of the statement are for information purposes only.

The Board's proposal for resolution:

1: "The General Meeting supports the statement of the Board regarding compensation to leading employees."

2: "The General Meeting adopts the statement of the Board regarding long term incentive plans and measures for keeping key personnel."

8. Authorization to issue shares

The Board's proposal for resolution:

"The Board is granted authorization to increase the share capital with up to NOK 39,948,598.00 through one or several share capital increases.

The authorization may be used for one or more of the following purposes:

- (i) for issuance of shares in connection with the Company's incentive plan for employees; and/or*
- (ii) to provide the Company with financial flexibility, including in connection with investments, mergers and acquisitions.*

Price and conditions for subscription will be determined by the Board on issuance, according to the Company's needs and the shares' market value at the time. Shares

utstedes mot kontantvederlag eller vederlag i form av andre aktiva (tingsinnskudd).

Eksisterende aksjonærers fortrinnsrett til å tegne aksjer vil kunne bli fraveket av styret i forbindelse med utøvelse av fullmakten.

Denne fullmakt utløper på datoen for den ordinære generalforsamlingen i 2019, men skal i alle tilfelle utløpe senest 15 måneder fra datoen for denne generalforsamlingen.

Styret gis samtidig fullmakt til å foreta nødvendige vedtektsendringer ved utøvelse av fullmakten. Denne fullmakt erstatter alle tidligere utstedte fullmakter til å øke aksjekapitalen."

9. Fullmakt til å erverve egne aksjer

Styrets forslag til vedtak:

"Styret gis fullmakt til på Selskapets vegne å erverve aksjer i Nel ASA til ett eller flere av følgende formål:

- (i) i forbindelse med Selskapets incentivprogram for de ansatte, og/eller
- (ii) for å øke aksjonærenes avkastning.

Fullmakten gjelder for kjøp av inntil 10 % av pålydende av Selskapets aksjekapital, jf. allmennaksjeloven §§ 9-2 og 9-3. Aksjer kan erverves til minst NOK 0,10 pr aksje og maksimalt NOK 10 pr aksje. Disse begrensninger skal justeres tilsvarende i tilfelle av aksjespleis, aksjesplitt og lignende transaksjoner. Aksjene skal erverves ved ordinær omsetning over børs.

Styrets fullmakt gjelder frem til den ordinære generalforsamlingen i 2019, men skal i alle tilfelle utløpe senest 15 måneder fra datoen for denne generalforsamlingen. Beslutningen skal meldes til og registreres av Foretaksregisteret innen aksjer erverves i henhold til fullmakten."

10. Valg av styremedlemmer

Det hører under den ordinære generalforsamlingen å treffe beslutning om valg av styremedlemmer.

Innstillingen fra valgkomiteen er vedlagt denne innkalling (Vedlegg 1), og finnes på Selskapets webside <http://www.nelhydrogen.com>.

Styrets forslag til vedtak:

"Valgkomiteens forslag tiltredes".

may be issued in exchange for cash settlement or contribution in kind.

The existing shareholders pre-emptive rights to subscribe shares can be deviated from in connection with the effectuation of this authorization.

The Board's authorization is valid until the Annual General Meeting in 2019, but shall in any event expire at the latest 15 months from the date of this annual general meeting.

The Board is at the same time given authorization to make the necessary amendments to the articles of association on execution of the authorization. This authorization replaces all previously granted authorizations to increase the share capital."

9. Authorization to acquire treasury shares

The Board's proposal for resolution:

"The Board is granted authorization to acquire shares in Nel ASA on behalf of the Company for one or more of the following purposes:

- (i) in connection with the Company's incentive program for its employees, and/or
- (ii) to increase return on investment for the Company's shareholders.

The authorization covers purchase(s) of up to 10% of the face value of the share capital of the Company, cf. the public limited liability companies act §§ 9-2 and 9-3. Shares may be acquired at minimum NOK 0.10 per share and maximum NOK 10 per share. These limitations shall be adjusted in the event of share consolidation, share splits, and similar transactions. The shares shall be acquired through ordinary purchase on the stock exchange.

The Board's authorization is valid until the annual general meeting in 2019, but shall in any event expire at the latest 15 months from the date of this General Meeting. The decision shall be notified to and registered by the Norwegian Register of Business Enterprises prior to acquiring any shares pursuant to this authorization."

10. Election of members to the board of directors

The Annual General Meeting shall approve the election of members of the Board of Directors.

The recommendation from the nomination Committee is attached to this notice (Appendix 1), and is available on the Company's website <http://www.nelhydrogen.com>.

The Board's proposal for resolution:

"The proposal from the Nomination Committee is supported".

11. Valg av medlemmer til valgkomiteen

Det hører under den ordinære generalforsamlingen å treffe beslutning om valg av medlemmer til valgkomiteen.

Innstillingen fra valgkomiteen er vedlagt denne innkalling (Vedlegg 1), og finnes på Selskapets webside <http://www.nelhydrogen.com>.

Styrets forslag til vedtak:

"Valgkomiteens forslag tiltredes".

12. Vedtektsendring

I henhold til Selskapets vedtekter, tegnes selskapets firma i dag av styrets formann sammen med ett styremedlem, eller av tre styremedlemmer i fellesskap. Det foreslås å endre Selskapets vedtekter slik at Selskapets firma skal tegnes av ett styremedlem sammen med daglig leder, eller av to styremedlemmer i fellesskap.

Styrets forslag til vedtak:

"Vedtektenes § 10 første setning endres, og skal lyde:

Selskapets firma tegnes av ett styremedlem i forening med daglig leder, eller av to styremedlemmer i fellesskap".

* * *

Oslo, 24. april 2018

Hanne Skaarberg Holen
(sign)

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Per datoen for denne innkallingen er det 998 714 952 aksjer i Selskapet, og hver aksje gir én stemme. Selskapet eier 1.773.450 egne aksjer.

Dersom aksjer er registrert på forvalterkonto i VPS, jf. allmennaksjeloven § 4-10, og den reelle aksjeeieren ønsker å avgi stemmer for slike aksjer, må aksjene omregistreres på en separat VPS-konto i den reelle aksjeeierens navn forut for påmeldingsfristen til generalforsamlingen. Hvis det kan godtgjøres at eieren har tatt slike skritt og har en reell aksjeeierinteresse i Selskapet, kan eieren etter Selskapets oppfatning stemme for aksjene. Beslutninger om stemmerett for aksjeeiere og fullmektiger treffes av møteåpner, hvis beslutning kan omgjøres av generalforsamlingen med alminnelig flertall.

Aksjeeiere som ikke selv har anledning til å delta på

11. Election of members to the nomination committee

The annual general meeting shall approve the election of members of the nomination committee.

The recommendation from the nomination Committee is attached to this notice (Appendix 1), and is available on the Company's website <http://www.nelhydrogen.com/>. The Board's proposal for resolution:

"The proposal from the Nomination Committee is supported".

12. Changes to the articles of association

Pursuant to the Company's articles of association, the Company, the authority to sign for the Company is today vested with the chair of the board together with one board member, or by three board members jointly. It is proposed that the articles of association be amended so that said authority is vested with one board member together with the CEO, or two board members jointly.

The Board's proposal for resolution:

"Article 10, first sentence of the articles of association is amended and shall read:

Documents shall be signed on behalf of the company by one Board member together with the CEO, or by two Board members jointly".

* * *

Oslo, 24 April 2018

Hanne Skaarberg Holen
(sign)

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As at the date of this notice, there are 998,714,952 shares in the Company, and each share carries one vote. The Company holds 1,773,450 treasury shares.

If shares are registered on a nominee account in VPS, cf. section 4-10 of the Norwegian Public Limited Companies Act, and the beneficial shareholder wishes to vote for such shares, the shares must be re-registered on a separate VPS account in the name of the beneficial shareholder prior to deadline for attendance notice to the general meeting. If it can be proved that such steps have been taken and that the holder has a de facto shareholder interest in the Company, the holder may, in the Company's opinion, vote for the shares. Decisions regarding voting rights for shareholders and proxy holders are made by the person opening the meeting, whose decisions may be reversed by the general meeting by simple majority vote.

Shareholders who cannot participate at the general meeting in

<p>generalforsamlingen personlig kan gi fullmakt til styrets leder eller andre til å stemme for deres aksjer ved å benytte vedlagte <i>fullmaktsskjema</i>. Styreleder vil bare akseptere fullmakter som er bundet, slik at det er angitt hvordan fullmektigen skal stemme i hver enkelt sak. Skriftlig, datert og signert fullmakt kan sendes til Nel ASA c/o DNB Bank ASA, Verdipapirservise, NO-0021 Oslo eller fremlegges senest på generalforsamlingen. Det kan også foretas elektronisk innsendelse av fullmakt via ”Investortjenester”, en tjeneste for den enkelte investor tilbudt av de fleste norske kontoførere. Referansenummer må oppgis ved registrering av fullmakt. Elektronisk innsendelse av fullmakt med stemmeinstruks vil ikke være mulig. Fullmaktsskjema (scannet) kan også sendes per e-post til genf@dnb.no. Dersom aksjeeieren er et selskap, skal aksjeeierens firmaattest vedlegges fullmakten. Fullmakter som sendes til DNB Bank Verdipapirservise må være mottatt innen 11. mai 2018.</p> <p>I henhold til selskapets vedtekter § 10 er det bestemt at aksjeeiere og fullmektiger som ønsker å delta på generalforsamlingen, må varsle Selskapet om sin deltakelse ved å benytte vedlagte <i>påmeldingsskjema</i>. Påmeldingsskjemaet kan sendes til Nel ASA c/o DNB Bank ASA, Verdipapirservise, NO-0021 Oslo. Påmelding kan også skje på Selskapets nettside http://www.nelhydrogen.com/ eller via ”Investortjenester”. Referansenummer må oppgis ved påmelding via ”Investortjenester” og i tillegg pinkode via Selskapets nettside. Alternativt kan påmeldingsskjema (scannet) sendes per e-post til genf@dnb.no. Påmeldingsskjema må være mottatt av DNB Bank Verdipapirservise innen 11. mai 2018.</p> <p>Aksjeeiere har rett til å fremsette forslag til vedtak i de saker som generalforsamlingen skal behandle, innenfor de rammer som følger av allmennaksjeloven. Aksjeeiere har rett til å ta med rådgiver, og kan gi talerett til én rådgiver.</p> <p>En aksjeeier kan kreve at styremedlemmer og daglig leder på generalforsamlingen gir tilgjengelige opplysninger om forhold som kan innvirke på bedømmelsen av saker som er forelagt aksjeeierne til avgjørelse. Det samme gjelder opplysninger om Selskapets økonomiske stilling og andre saker som generalforsamlingen skal behandle, med mindre de opplysninger som kreves, ikke kan gis uten uforholdsmessig skade for Selskapet.</p> <p>Informasjon vedrørende den ordinære generalforsamlingen, herunder denne innkalling med vedlegg og Selskapets vedtekter, er tilgjengelig på Selskapets nettside http://www.nelhydrogen.com/.</p> <p style="text-align: center;">* * *</p>	<p>person may authorize the chair of the board or another person to vote for their shares by using the attached <i>proxy form</i>. The chair of the board will only accept proxies with instructions, so that it is stated how the proxy holder shall vote in each matter. The written proxy form, dated and signed, may be sent to Nel ASA c/o DNB Bank ASA, Verdipapirservise, NO-0021 Oslo, Norway, or presented at the latest at the general meeting. Web-based registration of the proxy is also available, through “Investortjenester”, a service provided to the individual investor by most Norwegian registrars. The reference number is required for registration. Online registration is not available for registration of voting instructions. The proxy form (scanned) may also be sent by email to genf@dnb.no. If the shareholder is a company, please attach the shareholder’s certificate of registration to the proxy. Proxy forms which are sent to DNB Bank Verdipapirservise must be received no later than 11 May 2018.</p> <p>Pursuant to the Company’s articles of association section 10, it is decided that shareholders and proxy holders who wish to participate at the general meeting, must notify the Company of his/her presence by use of the attached <i>attendance form</i>. The attendance form may be sent to Nel ASA c/o DNB Bank ASA, Verdipapirservise, NO-0021 Oslo, Norway. Attendance may also be registered on the Company’s website http://www.nelhydrogen.com/ or through “Investortjenester”. The reference number is required for registration through “Investortjenester” and in addition the pin code through the Company’s website. Alternatively, the attendance form (scanned) may be sent per email to genf@dnb.no. The attendance form must be received by DNB Bank Verdipapirservise no later than 11 May 2018.</p> <p>Shareholders have the right to propose resolutions in matters that are before the general meeting, subject to the limitations of the Norwegian Public Limited Companies Act. Shareholders have the right to be assisted by advisers, and may give one advisor the right to speak.</p> <p>A shareholder may demand that board members and the CEO provide available information at the general meeting regarding matters which may affect the assessment of items which have been presented to the shareholders for decision. The same applies to information regarding the Company’s financial position and other business to be transacted at the general meeting, unless the information demanded cannot be disclosed without causing disproportionate harm to the Company.</p> <p>Information regarding the annual general meeting, including this notice with attachments and the Company’s articles of association, is available at the Company’s website http://www.nelhydrogen.com/.</p> <p style="text-align: center;">* * *</p>
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Vedlegg 1 / Appendix 1

Proposal from the Nomination Committee in NEL ASA for the Annual General Meeting 15 May 2018

The following constitute the Nomination Committee of NEL ASA:

- Leif Eriksrød, Chair of the Election Committee
- Magne Myrehaug
- Jesper Nissen Boisen

1. Election of Board members

The Nomination Committee proposes that the following members are elected for one year, or until next ordinary Annual General Meeting. All of these are considered to be independent from main shareholders. If the committee's proposal is voted for, the Board of Directors of NEL ASA will consist of the following members:

- a) Hanne Skaarberg Holen, Chair of the board
- b) Mogens Filtenborg
- c) Ole Enger
- d) Finn Jebsen
- e) Beatriz Malo de Molina

2. Election of Nomination Committee members

The Election Committee proposes that the following members are elected for a period of one year, or until next ordinary Annual General Meeting. If these Committee members are elected the Nomination Committee of NEL ASA will consist of the following members:

- Leif Eriksrød, Chair of the Committee
- Magne Myrehaug
- Jesper Boisen
- Tom Sullivan

3. Remuneration of the Board of Directors

The Nomination Committee proposes that the remuneration for the period from the AGM 2017 to the AGM 2018 is:

Chairperson: NOK 400,000
Board member: NOK 250,000

4. Remuneration for the Nomination Committee

The Nomination Committee proposes that the remuneration for the Chairperson should be NOK 20,000 and for any other member NOK 15,000 for the period from the AGM 2018 to the AGM 2019.

No remuneration will be paid to board members or Nomination Committee members who are full time employees in the NEL group.

5. Remuneration for the Audit Committee

The Nomination Committee proposes that the remuneration for the Chairperson should be NOK 50,000 and for any other member NOK 25,000 for the period from the AGM 2018 to the AGM 2019.

6. Short CV/Background of the suggested board members:

Hanne Skaarberg Holen, re-election

Ms. Skaarberg Holen (born 1964) is a partner at law firm Thommessen in Oslo, working with tax law, company law, professional liability and related litigation. She has a background as partner/lawyer at PricewaterhouseCoopers and as audit manager at Price Waterhouse. Hanne Skaarberg Holen has a law degree from UiO and a business management degree from HEC - University de Lausanne. She has management experience and board experience from both listed and private companies. Ms. Skaarberg Holen is a Norwegian citizen and lives in Oslo. She has been a member of the board since 2017 and holds 260 000 shares directly and/or indirectly in Nel ASA.

Ole Enger, re-election

Mr. Enger (born 1948) has worked as CEO in Nordsilmel, Elkem, SAPA, REC, REC Solar and he has been in the executive management of Norsk Hydro and Orkla. Ole Enger has an educational background from Norwegian University for Environment and Life Sciences, NHH and IMDE Business School. He has board experience as both chairman and board member of a number of private and listed companies. Mr. Enger is a Norwegian citizen and lives in Oslo. He has been a member of the board since 2017 and holds 140 000 shares directly and/or indirectly in Nel ASA.

Mogens Filtenborg, re-election

Mr. Filtenborg (born 1957) is the owner and director of the investment and consultancy company Zuns ApS. Mr. Filtenborg has worked for Vestas Wind Systems A/S as Executive Vice President, member of management board and director of operations/CTO. Further Mr. Filtenborg has worked for SKOV A/S as CEO. He serves as chairman and director of several private and listed companies. Mr. Filtenborg is educated at the University of Aalborg, Denmark as an engineer. He is a Danish citizen and resides in Sunds, Denmark. He has been a member of the board since 2016 and holds 1 813 493 shares directly and/or indirectly in Nel ASA.

Finn Jebsen, re-election

Mr. Jebsen (born 1950) has worked for Mars Inc. in the US and Norway and later for 25 years at Orkla ASA, where he held positions as Business Development Manager, CFO, EVP of Financial Investment Division, EVP of Branded Consumer Goods Division, and CEO. From 2005 he has been working as a professional board member and chairman of several private and listed companies. Mr. Jebsen holds a Master's Degree in Business from NHH and a MBA from UCLA. Mr. Jebsen is a Norwegian citizen and lives in Oslo. He has been a member of the board since 2017 and holds 300 000 shares directly and/or indirectly in Nel ASA.

Beatriz Malo de Molina, re-election

Ms. Malo de Molina (born 1972) has worked as Senior Vice President and Head of M&A at Orkla ASA and has previously held positions at Kistefos Private Equity and McKinsey & Co in Oslo, Goldman, Sachs & Co in London, Frankfurt, New York City and Mexico City and Ernst & Young's financial advisory department in New York City. She graduated from Georgetown University in Washington D.C, attended the Haupt- und Wirtschaftsuniversität in Vienna, Austria and holds a Master's degree in Philosophy from UiO in Oslo. Ms Malo de Molina has board experience from listed and private companies both in Norway and internationally, including chairmanship positions. Ms. Malo de Molina is a Spanish Citizen and is now a Permanent Resident of Norway. She has been a member of the board since 2017 and holds 0 shares directly and/or indirectly in Nel ASA.



7. Short CV/Background of the suggested new member of the nomination committee:

Tom Sullivan

Mr. Sullivan is the owner of F9 Investments which is the largest shareholder in Nel ASA. F9 Investments became largest shareholder when the wholly-owned Proton OnSite merged with Nel ASA in 2017. Mr Sullivan is an American citizen and is the chairperson and founder of several companies.

Oslo, April 20th, 2018

The Nomination Committee of Nel ASA

GUIDELINES FOR REMUNERATION OF THE MANAGING DIRECTOR AND THE COMPANY'S MANAGEMENT TEAM**1. Salaries and remuneration to leading employees**

Leading employees is in this regard defined as the Nel corporate group management (five employees) and the divisional heads (three employees). The remuneration packages are designed to attract, motivate and retain leading employees of the necessary calibre and to reward them for enhancing value to shareholders. Total remuneration for leading employees consists of a market based fixed salary, pension scheme, bonus (see item 2 below), long term incentive scheme (see item 3 below) and a few common fringe benefits like broadband/home office and mobile phone. One divisional head also has a company car.

Leading employees are members of the Company's pension and insurance scheme that applies to all employees in the respective country. No leading employee in Norway has a pension scheme beyond what is supported in the Norwegian Occupation Pension Act. The pension scheme is based on a defined contribution covering salary from 1G (NOK93,634) to 12G (NOK1,123,608). The yearly contribution is maximum 7% of salary between 1G and 7.1G and maximum 25% between 7.1G and 12G. No loans or guarantees have been provided to any employees, members of the Board or their related parties.

Term of notice is 3 months for all employees, except for the CEO and CFO which have 6 months. The CEO has waived the protection rights under law with respect to termination of his service contract, and has as a consequence thereof a right to 6 months' severance pay in the event of termination.

2. Bonus

Bonuses are considered and provided for selected individuals whose extraordinary effort or achievement of performance objectives can be measured through clearly defined results parameters/KPIs. Results parameters/KPIs include both financial performance targets set for the company as well as individual performance targets tied to the individual's area of responsibility.

The CEO has a bonus arrangement limited to 50% of his fixed salary, which is payable at the Board's discretion, where 50% of the bonus shall be determined on the basis of KPIs set annually and 50% based on the Board's discretion.

Further, two leading employees with sales targets have bonus agreements limited to 50% of fixed salary, which is determined based on performance against KPIs. Other leading employees have bonus agreements up to 15% of fixed salary, which is determined based on performance against KPIs.

3. Options and subscription rights programs and other incentive programs

The CEO has an option agreement over 6 million share options exercisable from 4 April 2018 (27 months after commencement of employment, which took place in January 2016). Strike price is NOK 3.00. None of the options are exercised. There is no expiry of the options, other than the right to exercise the stock options is subject to the employment agreement not having been terminated at the time of exercise.

Further, the SVP Sales & Marketing David Bow has 1,332,683 options (conversion of Proton Onsite options as part of Nel's acquisition of Proton OnSite). 50% of the options become exercisable on 30 June 2018, and the remaining become exercisable on 30 June 2019. The options expire 90 days after exercise date.

The Company arranged a matching share incentive program (the "Matching Share Program") for all employees of the Company with subscription of shares in 2016 and 2017. The price payable for the shares subscribed was set as an average of the share price 10 trading days prior to the subscription. Each share subscribed for in the matching share program is freely transferrable, but shall entitle the employee to subscribe for two further matching shares

for free, one after 12 months and one after 24 months, provided that (i) the original share is still held by the employee and (ii) the employee has not terminated his/her employment, at the relevant time.

Subscriptions made, and outstanding matching shares by leading employees are:

Name	Number of matching shares	Exercise	Expiry	Strike price (NOK)
Jon Andre Løkke	309 217	juni 2018	juni 2018	0,00
Jon Andre Løkke	109 217	juni 2019	juni 2019	0,00
Bent Skisaker	309 217	juni 2018	juni 2018	0,00
Bent Skisaker	109 217	juni 2019	juni 2019	0,00
Bjørn Simonsen	309 217	juni 2018	juni 2018	0,00
Bjørn Simonsen	109 217	juni 2019	juni 2019	0,00
Mikal Sloth	109 217	juni 2018	juni 2018	0,00
Mikal Sloth	109 217	juni 2019	juni 2019	0,00
Anders Søreng	309 217	juni 2018	juni 2018	0,00
Anders Søreng	109 217	juni 2019	juni 2019	0,00
Jørn Rosenlund	333 003	juni 2018	juni 2018	0,00
Jørn Rosenlund	109 174	juni 2019	juni 2019	0,00
Jacob Krogsgaard	109 217	juni 2018	juni 2018	0,00
Jacob Krogsgaard	109 217	juni 2019	juni 2019	0,00
Total	2 552 781			

The Board will not renew the matching share program for 2018 and later years, and plans to replace it with a new share option program (the “Share Option Program”), starting in 2018 and covering all employees. The total number of share options outstanding in the share option program shall at any time not exceed 5% of the outstanding shares of the Company, including the above mentioned options already outstanding.

Options will be issued yearly for three years at a strike price equal to the average market price 5 days prior to each issue, plus a 3% pa adjustment until expiry. The vesting period will be two years and expiry will be 4 years after issue. There will be a cap of maximum gain of NOK 5 per option.

Leading employees will each receive maximum of 1,200,000 options over the three year period, depending on achieving individual goals (key performance indicators).

The Board will retain full rights to adjust the option program to protect the Company’s interest, but within the 5% maximum described above.

4. Compliance with 2017 remuneration statement

The guidelines for determination of salary and other compensation for leading employees, as outlined for the annual general meeting in 2017 have been complied with.